

CENTRAL STATISTICAL OFFICE

# **CSO** **Monthly Digest of Statistics**

## **Supplement**

### **Definitions and Explanatory Notes**

### **1981 Edition**

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**Definitions and  
Explanatory  
Notes**

**1981 Edition**

**Editor: ADAM BUCHANAN**

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## INTRODUCTION

This *Supplement* gives definitions of items and units employed in the *Monthly Digest of Statistics* in more detail than is possible in the headings and footnotes of the tables in the publication itself.

This issue replaces that published with the January 1980 edition of the *Monthly Digest of Statistics*.

The definitions relate to the tables as they appear in issue No. 421 of the *Monthly Digest* for January 1981. If further new series are added or changes are made in the content before the next issue of this *Supplement*, additional definitions will be given where necessary in the footnotes to the tables in the *Digest*.

The definitions in the *Supplement* also apply to corresponding items in the *Annual Abstract of Statistics* and *Regional Trends* prepared by the Central Statistical Office and published by HM Stationery Office.

When annual figures such as appear in the *Monthly Digest* are given in greater detail in the *Annual Abstract*, the additional explanatory notes are shown in the *Annual Abstract*.

Weekly averages are used in the *Digest* where the basic figures are collected on a weekly basis, and also in a few cases, indicated by footnotes, where the basic figures are for calendar months. Where weekly averages are given for months they represent the totals of four-week or five-week periods divided by four or five respectively. The average of a five-week period is indicated by an asterisk throughout the *Digest*.

Central Statistical Office,  
Great George Street,  
London, SW1P 3AQ.  
January 1981

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## 1 National income and expenditure

The tables in this section are designed to bring up to date the estimates for calendar years given in *National Income and Expenditure 1980 Edition* (HMSO 1980) and the quarterly estimates given in *Economic Trends*, October 1980. A detailed description of the sources, methods and definitions used in making the regular estimates is given in *National Accounts Statistics: Sources and Methods* (HMSO 1968) and is brought up to date in the notes to *National Income and Expenditure 1980 Edition*.

It is not always possible to record all the various items of expenditure in the tables on precisely the same basis or at the same point in time. For example, consumers' expenditure on alcoholic drink is estimated in practice from the quantities cleared from bond and not from the quantities sold; expenditure on goods and services by public authorities and capital expenditure by businesses during a given period may not coincide with the recorded output of the goods purchased, or with the incomes generated by this expenditure, during the same period. These inconsistencies, of course, affect the estimates for complete years; but they are likely to affect the estimates for shorter periods to a much greater extent. Hence only guarded conclusions should be drawn about changes in the pattern of expenditure, and in the relations between expenditure, income and output, from one quarter to another.

Each table has a section giving seasonally adjusted estimates which are designed to assist in the interpretation of the original unadjusted estimates.

### Gross domestic product

The gross domestic product is a measure of the value of the goods and services produced by United Kingdom residents before providing for depreciation (or capital consumption). The estimates of the gross domestic product are built up from largely independent data on incomes and final expenditure. But as it is not always possible to record all the various forms of expenditure and income on precisely the same basis or at the same point in time, there is a difference between the two sets of estimates. This difference appears as the residual error and is presented as though it were an item of income. The movements in the residual error reflect inconsistencies between the various data on income and expenditure; these inconsistencies are bound to be relatively larger for periods of less than one year than for complete years. The gross national product is equal to the gross domestic product *plus* net receipts from interest, profits and dividends earned abroad.

### Index numbers of output at constant factor cost

The output-based estimate of gross domestic product is calculated by combining indices of the output of individual industries and services valued at the prices of a base year, with weights proportional to the contribution of each industry to gross domestic product in the base year. The estimates of gross domestic product in total and those for services are published only on a quarterly, seasonally adjusted basis; the index of industrial production is published monthly and quarterly, seasonally adjusted. Unadjusted data may be obtained by contacting the Central Statistical Office.

Detailed methodology is described in terms of the 1970 based index, in *Studies in Official Statistics* No. 25: *The measurement of changes in production* (HMSO 1976), updated to the basis 1975 = 100 by articles in *Economic Trends*, May 1979. Lists of the series and weights used to compile the current estimates are included in a series of Occasional Papers available on request from Branch 5, Central Statistical Office.

The published index numbers in Table 1.3 include an adjustment based on estimates of stock movements, to allow for the use of indicators which measure deliveries rather than production in certain series within manu-

facturing industry. A detailed analysis of industrial production is given in Table 7.1 but that table does not include this adjustment, as it is not available monthly or for individual industries. However, Table 7.2 includes six groups which give a comprehensive coverage of manufacturing activities on a quarterly basis with this adjustment.

### Personal income, expenditure and saving

The personal sector includes unincorporated enterprises and non-profit-making bodies. Income is shown before tax and before providing for depreciation and stock appreciation. The item Personal saving before providing for depreciation, stock appreciation and additions to tax reserves, is obtained as a residual and is subject to a wide margin of error.

### Consumers' expenditure

Consumers' expenditure covers all personal expenditure on (durable and non-durable) goods and services, including the value of income in kind, imputed rents for owner-occupied dwellings and the purchase of second-hand goods *less* the proceeds of sales of used goods. It also includes expenditure on goods and services for current use by private non-profit-making bodies serving persons but all payments by persons to such bodies are excluded.

Also excluded are all business expenditure and expenses; interest and other transfer payments; and the purchase of land and dwellings (and associated costs) which is treated as capital expenditure.

Detailed definitions of the items of consumers' expenditure identified in *National Income and Expenditure 1980 Edition* are given in Chapter VI of *National Accounts Statistics: Sources and Methods*. In the table in the *Monthly Digest of Statistics* some of these items are grouped together under the headings Other goods and Other services.

Other goods include household textiles, soft furnishings and hardware; matches, soap and other cleaning materials, etc.; books, newspapers and magazines; chemists' goods; miscellaneous recreational goods; other miscellaneous goods; running costs of motor vehicles; and income in kind not included elsewhere.

Other services include travel; communication services; entertainment and recreational services; domestic service; catering (meals and accommodation); wages, salaries, etc. paid by private non-profit-making bodies; capital consumption of assets owned by private non-profit-making bodies; insurance; other services (laundries, hairdressing, betting, etc.); and consumers' expenditure abroad *less* expenditure by foreign tourists, etc., in the United Kingdom.

### Value of physical increase in stocks and work in progress

The quarterly estimates for manufacturing, wholesaling and retailing are based on information about the book value or standard cost valuation of stocks supplied by a sample of companies to the Department of Industry. The figures for manufacturing are based on returns from a panel of companies covering about half of total manufacturers' stocks and including most of the larger companies, but those for wholesaling and retailing have a narrower coverage. The figures for the latest complete year and succeeding quarters are based at first on the quarterly inquiry but are revised in the light of the results of the censuses of production and the annual inquiries into the distributive and service industries when these become available.

The volume figures (expressed at constant 1975 prices) are derived from the basic book value figures at a detailed industry level by use of a wide range of price index numbers and other information, but where information about stocks valued at standard costs is supplied the reported changes are considered to represent the value of physical changes.

Seasonal adjustment is carried out at the level of broad industry groups.

The figures are described in detail in Chapter XIII of *National Accounts Statistics: Sources and Methods*.

### Gross domestic fixed capital formation

This comprises expenditure on fixed assets, either for replacement or the addition to existing fixed assets; expenditure on maintenance and repairs is excluded. Fixed assets include dwellings, other new buildings and works, vehicles, plant, machinery and other equipment, and the analysis by industry group covers these categories of asset. Land and existing buildings are a further category of fixed asset, the transactions in which, except for actual costs of transfer, must net out when aggregated for the country as a whole. Net transactions in land and existing buildings, although excluded from the analysis by industry, are however included in the analysis of gross domestic fixed capital formation by sector.

The transport and communication series in Table 1.7 includes imported ships at the time of delivery instead of when the expenditure takes place. The reason for this is to match with the recording of imports and so lead to a consistent expenditure-based estimate of gross domestic product.

Annual figures of investment by asset are published at current prices for each industry in the *National Income and Expenditure 1980 Edition*. Detailed figures are published for

the various manufacturing industries; agriculture, forestry, fishing; construction; and a number of other industries.

The figures are described in detail in Chapter XII of *National Accounts Statistics: Sources and Methods*.

### Fixed capital expenditure in the manufacturing, distributive and service industries

The quarterly estimates are based on information supplied to the Department of Industry by panels of companies which account for about two-thirds of the capital expenditure of the manufacturing industries, but less than this in the case of the distributive and service industries. The figures for the latest complete year and succeeding quarters are based at first on the quarterly inquiry but are revised in the light of the censuses of production in the case of manufacturing industry, and the annual inquiries for the distributive and service industries when these become available.

Annual figures (by asset) at current prices are available from *National Income and Expenditure 1980 Edition* at a more detailed level for manufacturing industries and also for construction; road passenger transport; road haulage and storage, and miscellaneous service industries.

The quarterly figures at current values are revalued at constant 1975 prices and are then seasonally adjusted. The figures for plant and machinery and for vehicles are net of receipts from sales of such assets.

## 2 Population and vital statistics

### Population of the United Kingdom

#### Mid-year estimates

Mid-year estimates are constructed from the latest full Census, with allowance for births, deaths, migration into and out of the country and variation in the location of the armed forces since the Census was taken. No adjustment is made, however, for the purely temporary seasonal net increase in visitors to this country in the summer months. Figures for 1972 to 1977 for England and Wales and the United Kingdom are from the re-calculated new series population estimates and will, therefore, differ from the estimates for these years shown in issues of the *Digest* prior to December 1977. Figures are given on two bases, Home population and Total population.

Home population: Persons usually resident in an area.

Total population: This is the Home Population plus the estimated numbers of HM Forces ordinarily resident in the area who are serving overseas or in another part of the United Kingdom (but excluding both Commonwealth and foreign armed forces, and HM Forces present but not ordinarily resident in the area).

## 3 Labour

Employment statistics based on counts of national insurance cards were available until mid-1971. In 1971 the census of employment was introduced. The new system relies on returns from employers. In order to provide a link between the old system and the new system, both a card count and a census were taken in 1971.

The count of national insurance cards included many employees who worked for part of the year only and who were not in employment in the particular week in June when the census was taken. Mainly for this reason the census figure for June 1971 is considerably lower than the card count. Another difference is that a person who had two regular jobs with different employers in the week of the census was counted twice in the census but only once in the card count, so that the census figures are higher than the

### Projected Total population

Projections of the Total population of the United Kingdom last appeared as a Supplementary Table in the August 1980 issue of the *Digest*. Notes on the assumptions used in preparing these projections were also included. An account of the methods and results for the mid-1977 based projections appears in *Population Projections PP 2 No. 9 1977-2017* (HMSO 1979).

### Births, marriages and deaths

Births for England and Wales relate to occurrences in a period, while those for Scotland and Northern Ireland relate to births registered in a period. Marriages and deaths are those registered in the country during the periods shown.

The number of births registered in a period differs somewhat from the number which occur in that period because of the varying time-lag between a birth and its registration.

Deaths include those of members of the armed forces in the United Kingdom but exclude any which occur abroad.

Stillbirths are excluded throughout.

card count in some industries and services where secondary employment is common.

Estimates of employees in employment on a continuous basis, which removed the discontinuities in the previously published figures, have been prepared by the Department of Employment and published in the *Department of Employment Gazette* - see the March 1975 issue for Great Britain figures, the October 1975 issue for United Kingdom figures and the August 1976 issue for the standard regions. These estimates have now been incorporated into the *Annual Abstract of Statistics* and *Monthly Digest of Statistics*: they are on a census of employment basis with the industrial classification pertaining to the 1968 Standard Industrial Classification.



### Distribution of working population

The figures, which relate to mid-month, are estimates of the total numbers at or seeking work, of all ages and occupations; the estimates include persons temporarily laid off and part-time workers as full units. The working population comprises the following four components:

- (i) employees in employment (excluding private domestic servants) and civil servants temporarily stationed outside the United Kingdom;
- (ii) self-employed persons (with or without employees);
- (iii) HM Forces; and
- (iv) the registered unemployed.

### Employees in employment

#### Manufacturing industries

June figures are obtained as described above. For Great Britain, figures for other months are obtained by application of the percentage changes in the numbers employed, derived from the returns rendered by a sample of employers under the Statistics of Trade Act, 1947. For Northern Ireland, figures are only available quarterly, and for each month the last known quarterly figure is used.

#### Non-manufacturing industries

June figures are obtained as described above. Estimates for each quarter/month are obtained from an enquiry based partly on a sample of employers and partly on composite returns rendered by central government, local authorities, nationalised industries, public corporations and organisations in the private sector.

### Staff employed in the Civil Service

The table sets out departmental totals by ministerial responsibility of UK-based staff in the Home Civil Service and the diplomatic service (but not the Northern Ireland Civil Service, the Northern Ireland Court Service and the Overseas Civil Service).

A civil servant is a servant of the Crown working in a civil capacity who is not the holder of a political (or judicial) office; nor the holder of certain other offices in respect of whose tenure of office special provision has been made; nor a servant of the Crown in a personal capacity paid from the Civil List. Staff who are locally engaged overseas, employees of grant aided bodies (except the Manpower Services Commission and its former Agencies) and casual staff, normally engaged for a short period only, are excluded. More comprehensive definitions and detailed figures are published annually in *Civil Service Statistics*.

### UK Service personnel – intake, outflow and strengths

The table sets out figures for the total intake, the total outflow and the strengths of UK Service personnel of the Regular Forces. These personnel are normally recruited in the United Kingdom for whole-time service throughout the world. The figures exclude all reserve personnel, the Territorial Army, the Ulster Defence Regiment and personnel, such as Gurkha troops, who are recruited locally outside the United Kingdom.

The figures for males include some female personnel (currently about 80), serving as medical, dental, veterinary and legal officers, who are not commissioned in the Women's Services and who, for administrative reasons, are counted in the male numbers.

The Royal Navy figures for females comprise the Queen Alexandra's Royal Naval Nursing Service and the Women's Royal Naval Service; the Army figures for females comprise the Queen Alexandra's Royal Army Nursing Corps and the Women's Royal Army Corps. The Royal Air Force figures for females for dates before April 1980 comprise the whole of the Princess Mary's Royal Air Force Nursing Service and the Women's Royal Air Force. Since that date, however,

male personnel have been able to serve in the PMRAFNS and the female figures for dates from April 1980 onwards comprise female personnel only of the PMRAFNS, together with the WRAF. The RAF male figures for corresponding dates include the male members of the PMRAFNS (currently about 200).

The figures of intake comprise all entrants from civilian life, including those with previous service in the Armed Forces and entrants for commissioned service who had not, at the time of entry, been finally selected for officer training. The figures of outflow include personnel who leave for all reasons whether voluntarily or for other reasons such as completion of engagement. Some of these personnel will have a liability to serve in the Reserve Forces. The figures of strengths include personnel who are on loan to other UK Government departments or commercial undertakings or to the armed forces of other countries; personnel who are serving on an exchange basis with members of the armed forces of other countries; and personnel serving in United Nations or North Atlantic Treaty Organisation appointments or forces.

### Numbers employed in agriculture

The table shows the number of British and foreign workers (excluding the occupier and his wife, domestic servants and children still at school) employed on the day of the census on agricultural holdings of more than 0.4 hectare (one acre) in Great Britain up to June 1969, and of 0.4 hectare (one acre) or more in Northern Ireland. With effect from June 1970 the census was extended in Great Britain to cover all holdings with significant output including those on 0.4 hectare (one acre) of agricultural land or less. The census was also extended in the same terms in Northern Ireland with effect from June 1973.

Regular workers absent through sickness or holidays and working partners of the occupier are included.

Seasonal and casual workers and persons temporarily employed in agriculture, although ordinarily employed in other industries, are included in the figures for All workers. Seasonal, casual or temporary labour is defined as including contract work, that is, labour supplied by contractors or gang-masters for farm work by the piece, the job, the hour or the week. In Northern Ireland, prior to 1975, seasonal or casual workers were included with regular part-time workers.

### Construction work: number of operatives employed by contractors

The employment figures show the total number of operatives on firms' payrolls on a pay day in the first half of each month.

### Local authority manpower

In March 1975, a new quarterly employment series was launched jointly by central government and the local authority associations of England and Wales for the purposes of a Joint Manpower Watch. The figures for this new series are compiled by the Local Authorities Conditions of Service Advisory Board (LACSAB). Quarterly figures for England and Wales were published for the first time in the November 1976 *Monthly Digest of Statistics* and these were joined by figures for Scotland starting with the August 1977 issue. Figures for England and Wales, and for Scotland now appear in each issue of the *Digest* up-dated at quarterly intervals.

The series covers total employment in all the services for which local authorities are responsible. For the purpose of converting part-time staff numbers to 'full-time equivalents' the following factors have been used: teachers and lecturers in further education 0.11, teachers in primary and secondary education and all other non-manual employees 0.53, manual employees 0.41. These factors derive mainly

from an analysis of hours worked by local authority employees as reported for the New Earnings Survey 1974. Further analyses of the quarterly series for all Joint Manpower Watch categories appeared for the first time in the *Department of Employment Gazette* for November 1976 and these are also up-dated at quarterly intervals. Figures for Wales alone appear in *Welsh Local Government Financial Statistics* an annual Welsh Office publication which first appeared in September 1977. Figures also appear in *Local Government Financial Statistics, England and Wales*, published annually.

### **Overtime and short-time in manufacturing industries**

Statistics on overtime and short-time relate to operatives employed in manufacturing industries. They do not include administrative, technical and clerical workers. Returns are rendered monthly by employers under the Statistics of Trade Act. From June 1974, when a new sampling system was introduced, the figures relate to operatives in all manufacturing industries and overtime worked by maintenance workers is included.

### **Unemployment**

The current figures, for the United Kingdom, Great Britain and standard regions, include all unemployed persons registered for employment at local employment offices or careers offices, with the exception of registered severely disabled persons who are unlikely to obtain work other than under special conditions, adult students registered for vacation employment and temporarily stopped workers. They represent the numbers on the registers who were actually unemployed on the day of the count and were capable of and available for work.

For each region separate figures are given of the unemployed classified by broad industrial group, and of temporarily stopped workers. Figures for adult students registered for vacation employment are given for the United Kingdom.

The number of persons registered as unemployed in Northern Ireland is shown in the general and regional tables.

### **Seasonally adjusted unemployment statistics**

The seasonally adjusted unemployment figures relate to registered unemployed persons, excluding those under 18 who have not entered employment since terminating full-time education (described as school-leavers). The method of seasonal adjustment used, is described in the March 1980 issue of the *Employment Gazette* (page 281). Figures are given for the United Kingdom and also for certain industry groups.

### **Temporarily stopped**

Temporarily stopped workers are those registered at the

date of the count who are suspended by their employers on the understanding that they will shortly resume work, and who register to claim benefit. They are not included in the numbers unemployed but figures for each region are shown in a separate table.

### **Notified vacancies remaining unfilled**

The table shows for each month the numbers of notified vacancies remaining unfilled on the day of the count. Consequently, the figures are not a measure of total vacancies in the economy. Vacancies notified to Employment Offices are mainly for adults but include some that are suitable for young persons, and vacancies notified to Careers Offices are suitable for young persons but include some that are suitable for adults. Because of possible duplication the two series should not be added.

During 1977 the Manpower Services Commission carried out a special National Survey of Engagements and Vacancies. This suggested that in the period 7 April-8 July 1977 just over a third of all vacancies were notified to Employment Offices.

For Northern Ireland the table shows unfilled vacancies notified to the local offices of the Northern Ireland Department of Manpower Services.

### **Industrial stoppages**

This table shows the number of workers involved and the total number of working days lost in stoppages of work arising from industrial disputes in the United Kingdom connected with terms and conditions of employment. Stoppages involving fewer than 10 workers or lasting less than one day are excluded from the statistics, except where the aggregate of working days lost exceeds 100.

The figures include workers directly involved and those indirectly involved (i.e. thrown out of work but not themselves parties to the disputes) at establishments where the disputes occurred. Workers involved in stoppages beginning in one month and continuing into later months are counted in the month in which they first participated. Workers involved in more than one stoppage in the month have been counted in the total on each occasion.

The aggregate number of working days lost in any period is the number lost in that period through all stoppages in progress, irrespective of when the stoppages began. The figures exclude any loss of time, for example through shortages of material, which may be caused at other establishments by the stoppages which are included in the statistics.

There are difficulties in ensuring complete recording of stoppages, in particular those near the margins of the definitions, for example short disputes lasting only a day or so. Any under-recording would of course particularly bear on those industries most affected by this type of stoppage; and would have much more effect on the total of stoppages than of working days lost.

## **4 Social services**

### **National insurance and child benefit**

#### **Sickness, invalidity and injury benefits**

Under the Social Security Acts, the whole of the civilian working population over school-leaving age but not yet retired can qualify for sickness and contributory invalidity benefit, including not only employed earners but also the self-employed. Exceptions are all men over age 70 and all women over age 65; members of the Armed Forces; mariners while at sea; most non-industrial civil servants and Post Office employees (who do not normally claim sickness benefit until illness has lasted 6 months); and married women and certain widows who have chosen not to be insured in their own right.

In general, contributory invalidity benefit replaces sickness benefit after this has been payable for over 6 months. Non-contributory invalidity pension became payable from 20 November 1975 and is primarily for persons of working age who have been unable to work for some time but do not qualify for sickness of invalidity benefit due to insufficient contributions.

From 17 November 1977 the provisions were extended to include married women.

The numbers of new claims for sickness and invalidity benefits including non-contributory invalidity pension are derived from the number of first medical certificates received by the Department of Health and Social Security.

The numbers of insured persons absent from work on account of sickness or invalidity are based on a standing sample of claimants.

The industrial injury provisions of the Social Security Acts under which claims to injury benefit are made, apply to almost all civilians working as employed earners. The numbers of new claims for injury benefit and the estimated numbers of persons absent from work because of industrial accident or occupational disease (that is, a disease prescribed for the purpose of the Act, such as lead poisoning) are obtained in the same ways as those for sickness benefit.

A small number of claims do not result in payment of benefit but, because they indicate certified incapacity for work, they are included in the figures.

#### **Unemployment benefit**

Most unemployed persons who normally work for an employer can qualify for unemployment benefit. The main exceptions are those married women who pay basic contributions at the reduced rate. Self-employed persons and non-employed persons are not eligible for unemployment benefit.

#### **Retirement pensions**

Retirement pensions, as the name implies, are payable on retirement from regular work provided the minimum age (65 for men, 60 for women) has been reached and the necessary contribution conditions are satisfied. From age 70 (65 for women) the retirement condition no longer applies.

A married woman can receive a pension through her husband's insurance provided that the retirement and age conditions are satisfied by both.

#### **Widows' pensions and widowed mothers' allowances**

These are payable, subject to certain conditions, from the end of the initial period of six months from the date of widowhood, during which widows' allowances are paid at a higher rate. A widow's pension continues, unless the widow remarries, until she reaches the age of 65 or, after the age of 60, notifies retirement from work, when it is replaced by a retirement pension. A widowed mother's allowance continues generally speaking so long as a widow has at least one child of school age or, if living at home under age 19.

#### **Child benefit**

From 5 April 1977, child benefit replaced family allowance. This benefit is paid for each child in the family below the age limit. This is, in general the normal school leaving age (16) but if the child is still at school or college, or is an apprentice with low earnings, the benefit is paid until the 19th birthday.

#### **Family income supplement**

Family income supplement is payable to families with one or more children where the man is normally in full-time work (30 hours a week minimum) but the income of the family is low.

For single parent families the minimum hours a week are 24.

#### **Supplementary benefits: pensions and allowances**

##### **Benefits under the Supplementary Benefits Act**

Any person in Great Britain over the age of sixteen who has left school but is not in full time work and whose resources are insufficient to meet their requirements as defined under the Act may be entitled to supplementary benefit. A person over pensionable age is entitled to a supplementary pension and under pensionable age to a supplementary allowance.

The Supplementary Benefits Commission who administer the scheme have power in exceptional circumstances to adjust the rate of benefit computed and to award lump sum payments to meet exceptional need.

#### **National Health: hospital services**

The figures are taken from returns made half-yearly by Authorities responsible for hospitals to the Department of Health and Social Security, the Welsh Office and the Information Services Division of the Common Services Agency, Scottish Health Service.

#### **Staffed beds**

The numbers of staffed beds allocated are taken from a census of all staffed beds, including beds temporarily unavailable, at 30 June and 31 December. In Scotland, the figures shown represent the average staffed beds over the period. (For six months ending March and September.)

#### **Occupation of beds**

The figures are obtained by taking the total of the daily numbers of in-patients for the year (at the night count) and dividing by the number of days in the year. In-patients, for this purpose, are persons (other than day-cases) who have gone through the full admission procedure of the hospital and occupy a bed in the in-patient department.

#### **Discharges and deaths**

The figures shown include all patients who have gone through the full in-patient procedure and who have subsequently been discharged or have died.

#### **Waiting list**

All patients listed as awaiting admission to hospital for in-patient treatment are included under this heading with the following exceptions:

- (a) expectant mothers booked for confinement;
- (b) deferred admission cases;
- (c) transfer cases, i.e. patients already occupying beds in hospital and awaiting transfer to another department or hospital.
- (d) day cases.

#### **Out-patient attendances**

Each attendance of a course or series is included in the year in which the attendance occurred. Persons attending more than one department are counted in each department.

#### **National Health: family practitioners' service**

Under the National Health Service Act, 1946, 119 Executive Councils in England and 15 in Wales and, under the National Health Service (Scotland) Act, 1947, 25 in Scotland, administered the local medical, dental, pharmaceutical and general ophthalmic services until 31 March 1974. Under the National Health Service Reorganisation Act, 1973, these services have been administered in England and Wales since 1 April 1974 by Area Health Authorities through Family Practitioner Committees; under the National Health Service (Scotland) Act, 1972, 15 Health Boards have administered these services since 1 April 1974.

#### **Pharmaceutical services**

These figures represent the number of National Health Service prescriptions of drugs, medicines and specified appliances dispensed by retail pharmacies, drug stores and suppliers of surgical appliances in contract with Committees (England and Wales) or Health Boards (Scotland). Most of the items are supplied on National Health Service prescriptions given by the family doctors, but a small number are given by dentists, at National Health Service hospitals and clinics, and at such stations of Service departments as have no dispensing facilities. Prescriptions which doctors themselves dispense for their patients are excluded.

#### **Dental services**

A dentist in accepting a patient undertakes to provide the



treatment needed to achieve dental fitness, except for occasional treatment where the treatment is limited to certain items (e.g. the extraction of one or two teeth or a denture repair). The course is complete when this treatment—or such of it as the patient is willing to undergo—has been carried out.

The figures include full courses of treatment and cases of occasional treatment which were scheduled for payment during the period.

#### **General ophthalmic services**

These services provide for the testing of sight and, if necessary, the supply of glasses. They operate in conjunction with the Hospital Eye Service which provides for the diagnosis and treatment of diseases or defects of the eyes and for the supply of optical appliances.

Persons may have their sight tested by any ophthalmic medical practitioner or ophthalmic optician on the ophthalmic list of a Family Practitioner Committee (England and

Wales) or Health Board (Scotland).

A prescription for glasses may be dispensed by any ophthalmic or dispensing optician on an ophthalmic list.

A range of frames is available under the National Health Service but patients are required to pay the current specified cost of the frames selected. Patients also pay for lenses provided under the service. Subject to certain conditions, lenses supplied under the general ophthalmic services may be fitted to privately supplied frames at the applicant's specific request. Glasses for children under 16, or older if still attending full-time at school, are supplied to the patient free of charge provided that the frames are chosen from a special limited range of children's frames. Children over 10 may also receive free lenses if they choose a frame from the adult range, but in this case the frame must be paid for. The figures of glasses paid for include all the cases described above.

A number of prescriptions following sight tests result in glasses being supplied privately. These are not included in the figures of glasses paid for.

## **5 Justice and crime**

### **Serious offences recorded by the police**

Serious offences recorded by the police cover those offences for which any suspect apprehended, proceeded against at court and found to have a case to answer, would have to be tried by jury (unless the suspect was a juvenile); it also covers those offences for which a defendant could prior to July 1978 be tried by magistrates by virtue of s.19 of the Magistrates' Courts Act 1952 (i.e. indictable offences triable summarily with the consent of the accused). These figures have the same coverage as those referred to in 1978 and earlier years as 'indictable' offences recorded by the police; the change of title was necessitated by the redefinition of the coverage of 'indictable' offences in the Criminal Law Act 1977. From 1977 this collection included offences of criminal damage valued at £20 and under; these figures were not collected in earlier years.

### **Crimes and offences recorded by the police (Scotland)**

All crimes and offences involve contraventions of the

criminal law; the term 'crimes' covers the most serious criminal acts (in many cases, contraventions of Scottish common law) and 'offences' the less serious acts (often contraventions of statutory law). Prior to 1st January 1980, the police recorded crimes and offences reported directly by or to them and those which came to their attention as a result of proceedings taken by other agencies such as the Post Office, and the Department of Health and Social Security. Since 1st January 1980, only crimes and offences made known to the police directly are included. Unconsolidated figures are derived from the returns of crimes and offences made known to the police during the month. Any amendments which arise from further investigation or judicial determination after the end of the month are incorporated in the consolidated (annual) figure. These alterations cover, for example, the exclusion of incidents subsequently found not to be criminal.

## **6 Agriculture and food**

### **Agricultural land**

#### **Area**

Up to June 1969 the agricultural census related to agricultural holdings of more than 0.4 hectare (one acre) in extent in Great Britain and of 0.4 hectare (one acre) or more in Northern Ireland. The areas exclude woodlands, buildings, roads, yards and ponds, etc. With effect from June 1970 the census was extended in Great Britain to cover all holdings with significant output including some 2,300 holdings on 0.4 hectare (one acre) of agricultural land or less. The census was also extended in the same terms in Northern Ireland with effect from June 1973. Total area of woodlands, together with all land taken up by roads, buildings, ponds, etc., on agricultural holdings is now included in figures of agricultural area.

The figures for specific crops relate to those which are actually in the ground on the date of the June census or for which the land is being prepared at that date. Any catch crops grown for livestock feed or for ploughing-in in the period between the harvest and the sowing of the next season's main crop will not be shown in the returns of agricultural area. The case is similar for horticultural crops.

Individual crop areas are returned to the nearest 0.1 hectare and include headlands, ditches and hedges attributable to the particular crop. Any crops not specified in the return or grown in patches of less than 0.1 hectare are shown

under the heading Other crops.

Prior to 1975 in Scotland the permanent grass area relates to grass 7 years old or over and in Northern Ireland permanent grassland for mowing refers to grass more than 3 years old.

### **Harvest**

Except for sugar beet and hops, the estimates of the quantity harvested of agricultural crops are obtained by combining the production areas with estimates of yield per hectare, made by technical officers employed by the Ministry of Agriculture in England and Wales and the Department of Agriculture for Northern Ireland and up to 1964 by crop reporters in Scotland. From 1965 the Scottish yield estimates for wheat, barley and oats are based on sample surveys of farms and this method of estimating yields was extended to the potato crop from 1966. In England and Wales the production area of cereals and fodder crops is the area returned at June less the estimated areas on which the produce failed in the early stages, was ploughed in or, in the case of cereals only, cut green for fodder, after the June census date. The production area of hay is the area of temporary and permanent grass actually cut and harvested for hay; while that of early potatoes is the area estimated to have been harvested by 31 July (as opposed to the area returned in June as intended for harvesting by 31 July) and

that of maincrop potatoes the area estimated to have been harvested after 31 July. The published estimates are prepared for all countries in November and are made on a parish basis in England and Wales, by region for Scotland and on a rural district basis in Northern Ireland. The production area of sugar beet is the area returned at June less that grown for seed; production figures are supplied by the British Sugar Corporation and the yield per hectare is obtained by dividing the production figure by the production area. Production figures of hops are supplied by the Hops Marketing Board and the area returned at June is used to obtain a yield per hectare.

In the case of horticultural crops the quantity harvested in England and Wales is calculated by multiplying yield estimates supplied by Horticultural Crop Intelligence Committees and technical officers of the Ministry by the appropriate cropped areas. For vegetables and small fruit, the cropped areas are based on either one or more of the regular censuses covering horticultural crops, or for certain crops, on estimates made by the Ministry. For top fruit, the area is based on the Orchard Fruit Censuses held every four years or so with estimates for the intervening years.

In Scotland the quantity harvested is calculated for ten crops (raspberries, strawberries, tomatoes, peas for canning, carrots, lettuce, cauliflower, brussels sprouts, cabbage and leeks) by multiplying yield estimates based on the results of a sample survey with areas returned at one of the two agricultural censuses, adjusted where necessary for double cropping. For other vegetables and fruit, yield estimates are supplied by technical officers of the Department.

In Northern Ireland the quantity harvested of all fruit and vegetables is calculated by multiplying yield estimates supplied by technical officers of the Department of Agriculture by the total crop area obtained from the June and December censuses. The working is on a rural district basis.

### **Livestock**

Up to June 1969 the tables show the number of cattle, sheep, pigs and poultry as returned by occupiers of agricultural holdings on more than 0.4 hectare (one acre) in Great Britain and by all owners of livestock in Northern Ireland. With effect from June 1970 the census was extended in Great Britain to cover all holdings with significant output including those on 0.4 hectare (one acre) of agricultural land or less, as previously mentioned.

For England and Wales the June figures are the results of a full census; at December, returns are collected from a sample only. In Scotland and Northern Ireland both the June and December figures are the results of full censuses.

### **Disposals of food and animal feedingstuffs**

Disposals are estimated from home production and imports, adjusted for changes in the known stocks held in warehouses, cold stores, etc., by wholesalers, importers, manufacturers and the government; they include deliveries to manufacturers of non-food products, and to exporters except where otherwise defined. As these deliveries are quantitatively important for potatoes, sugar and fish, separate figures of disposals for food in the United Kingdom are also given for these commodities. Disposals for food in the United Kingdom include use in the manufacture of other foods (e.g. sugar in jam, biscuits and sweets), certain disposals to HM Forces, and ingredients used in manufactured products which are exported. Disposals are, therefore, not the same as retail purchases.

### **Cereals and cereal products**

#### **Sales of home grown grains for food**

For wheat the receipts of home grown supplies by flour millers are shown and small quantities subsequently sold again for animal feed are therefore included. For barley the receipts of home grown supplies by brewers, maltsters,

flakers, roasters, distillers and pot barley manufacturers are shown and exported supplies are included. For oats the receipts by oatmeal millers of home grown supplies for processing into human food are shown.

### **Wheat and oat milling**

The tables show the quantities of home produced and imported wheat milled and the amount of flour produced; the resulting production of wheat offals appears in the table of animal feedingstuffs. Stocks of wheat and flour include wheat and flour expressed in terms of wheat held by flour millers, cereal breakfast foods manufacturers, and importers and dealers. Flour disposals include exports.

Only the quantities of oats used in establishments milling primarily for human food are included in the series described as oats milled. The products of oat-milling are similarly restricted to all cuts of oatmeal, flakes, rolled oats, oat flour, groats and any other product produced for human food. Stocks of oats are those held by main processors, including oatmeal millers, provender millers and compound feedingstuffs manufacturers. The provender millers' figures relate to Great Britain only. Stocks held by importers and dealers are also included.

### **Barley**

Disposals for food and brewing refer to the quantities of home grown and imported grain used by brewers, maltsters, flakers, roasters, distillers and pot barley manufacturers. Exports are included. Stocks are those held by main processors, including brewers, maltsters, distillers, provender millers and compound feedingstuffs manufacturers. The provender millers' and compounders' figures are in respect of Great Britain only. Stocks held by importers and dealers are also included.

### **Biscuits**

The following types are included: chocolate biscuits, fully and partially coated; sweet and semi-sweet biscuits; plain and savoury biscuits; rusks, crispbread, matzos and oatcakes; wafers and cones.

### **Animal feedingstuffs**

#### **Maize**

Not only maize and maize meal used as animal feed but supplies of maize used by manufacturers for the production of starch, glucose, cereal breakfast foods and for distilling are included. Stocks are those held by main processors, including cereal breakfast food manufacturers, provender millers and compound feedingstuffs manufacturers. Provender millers' and compounders' figures relate to Great Britain only. Stocks held by importers and dealers are also included. They include not only whole grain but some processed grain held by provender millers and compound feedingstuffs manufacturers.

### **Oilcake and meal**

Production is a residual from the crushing in the United Kingdom of oilseeds and nuts for oil. Disposals relate to home-produced cake and meal and also imported cake and meal and include exports. Stocks are those held by main processors, including crushers, provender millers and compound feedingstuffs manufacturers. Provender millers' and compounders' figures relate to Great Britain only. Stocks held by importers and dealers are also included.

### **Wheat milling offals**

Wheat milling offals (wheat feed) production is a residual from the milling of home-grown and imported wheat. Disposals comprise not only home-produced offals but also imported supplies and include exports. Stocks are those held by main processors, including flour millers, provender millers and compound feedingstuffs manufacturers.

Provender millers' and compounders' stocks relate to Great Britain only. Stocks held by importers and dealers are also included.

### **Compound feedingstuffs**

Only production by commercial manufacturers is included. Compound feedingstuffs include grain balancers and concentrates. Material supplied by farmers for processing to their own requirements is excluded.

### **Potatoes**

The figures relate to the United Kingdom; those for Great Britain have been provided by the Potato Marketing Board, and those for Northern Ireland by the Department of Agriculture for Northern Ireland.

Sales of potatoes from farms are the quantities sold for food, for processing and for export; they include an estimate for human consumption in farm households and the surplus potatoes fed to livestock or processed under schemes for implementing the Agriculture Act, 1947. Production on allotments and gardens, potatoes used for seed, potatoes fed to livestock outside the schemes and surpluses for which compensation has been paid, are excluded.

Disposals for food in the United Kingdom are the total quantities of potatoes, as recorded by the Potato Marketing Board and the Department of Agriculture for Northern Ireland, moving into human consumption from all sources except non-agricultural holdings.

### **Sugar**

Production relates to refined and raw sugar (in terms of refined) from home grown sugar beet, as recorded by the British Sugar Corporation.

Disposals for food in the United Kingdom include sugar used in the manufacture of products such as confectionery and jams for export, as well as for home consumption; they also include the refined equivalent of sugar used in the production of syrup and treacle and other sugars, for example, invert sugar and caramel. Stocks include imported and home produced supplies of refined and raw sugar (in terms of refined) held in the United Kingdom by refiners and by the British Sugar Corporation.

### **Glucose**

The figures cover the production of liquid and solid glucose and dextrose monohydrate.

### **Jam and marmalade**

The figures show the quantities produced, delivered and held in stock by manufacturers. From 1 January 1975 figures are derived from the Business Statistics Office quarterly sales inquiries.

### **Animals slaughtered, meat produced and meat stocks**

#### **Animals slaughtered**

The figures are those of animals slaughtered in the United Kingdom, including imported fat animals. From July 1954 they are derived from returns recording slaughterings in public and licensed slaughterhouses, including bacon factories. Unrecorded domestic slaughter and slaughter in knackeries are excluded. Slaughterings of poultry are derived through census returns together with statistics on chick-placings for, and packing-stations throughput of, table poultry.

#### **Meat produced**

From July 1954 the figures represent the estimated production of carcase meat (including trimmings from bacon pigs) and offal from slaughterings, as defined in the preceding

paragraph, and from information available on dressed carcase weights. Pig meat used for the production of bacon and ham is excluded.

### **Poultry meat**

Estimates of production are on the basis of dressed carcase weights (oven ready) and are published only in the *Annual Abstract of Statistics*.

### **Bacon and ham**

Production figures relate to the output of curing factories from both home-killed and imported carcasses; production by pig clubs or other domestic producers is excluded.

Disposals include supplies of home produced or imported bacon and ham moving into consumption and also such supplies as are used for canning in the United Kingdom. They do not include any imported canned bacon and ham.

### **Canned meat**

Figures of production relate to all types of canned and bottled meat and meat products. Meat extracts and essences, soups and pastes are, however, excluded.

Home produced or imported meat or bacon and ham used for canning are also included in the figures of home production or imports of those commodities. From 1 January 1975 figures are derived from the Business Statistics Office quarterly sales inquiries.

### **Meat stocks**

The figures represent the stocks of imported meat held in public cold stores, but not in stores reserved for private concerns or in undischarged cargoes. Prior to January 1964 meat stored below 14°F was excluded.

### **Fish and fish products**

#### **Fish**

Fish, fresh, frozen and cured, excluding shellfish.

UK landings, which exclude freshwater fish, are the quantities of fresh and frozen fish and edible offal landed by British fishing vessels. Frozen fish can be landed whole, headless or as fillets and is expressed as fresh landed weight equivalent.

Total disposals, which include disposals for export, include fresh, frozen and cured fish. They are expressed in terms of landed weight.

Disposals for food in the United Kingdom include fish used for canning (except the canning of pet foods) whether for home consumption or for export. The landed weight of fresh, frozen and cured fish which is exported, fish taken by fishmeal manufacturers, fish condemned or unsold, and fish used for pet food manufacture, is excluded. The column headed filleted weight shows the estimated edible equivalent, on a fresh fish basis, of the fresh, frozen and cured fish intended for human consumption.

#### **Preserved fish in cans, bottles, jars, etc.**

Up to and including 1974 these figures relate to canned fish only, the principal varieties being herrings, sild, brisling and pilchards; canned roes are also included. From 1 January 1975 figures are derived from the Business Statistics Office quarterly sales inquiries and include fish in cans, bottles, jars, etc. The annual production of canned fish is published in the *Annual Abstract of Statistics*. Quarterly sales and production figures are published in *Business Monitor* PQ214.

### **Oils and fats**

The quantity of oilseeds and nuts processed by crushing, expelling and extraction is recorded, and also the resulting production of crude vegetable oil.

The crude oil equivalent of the refined oils used in the



manufacture of margarine and compound fat and other foods is included in the disposals of vegetable oils, together with the crude oils used as such for soap and other industrial purposes. Exported supplies are included in the disposals.

The crude oil equivalent of the refined herring and other marine oils used in the production of margarine and compound fat is recorded as the disposal of marine oils. Between 1954 and 1959 inclusive, disposals are only of whale oil.

Butter contained in butter-blended margarine is included in the production of margarine.

Stock figures include the quantities of oilseeds and nuts, vegetable oils and marine oils respectively held by seed crushers, hardeners and refiners of oil and manufacturers of margarine, compound fat and soap.

### **Milk and milk products**

#### **Milk**

The figures cover milk sold through the Milk Marketing Board schemes for use as liquid milk and for the manufacture of milk products including cream and farmhouse cheese. The quantity consumed by farm households and used on farms for butter and cream production or calf rearing is excluded.

#### **Welfare milk**

Under the Welfare Milk Scheme, free milk is available to the following categories: expectant mothers and all children under school age in families receiving supplementary benefit, or family income supplement, or in special need due to low incomes; handicapped children aged 5 to 16 years who are not registered pupils at a school or special school; and children under school age attending an approved day nursery or play-group or with an approved childminder. The entitlement, irrespective of income, of families with more than two children under school age ended on 31 December 1979.

#### **School milk**

Before the entry into force of sections 22 & 23 of the Education Act 1980, on 14 April 1980, local education authorities in Great Britain were under a statutory obligation to supply milk free of charge (normally one-third of a pint (0.189 litre) on each school day) to pupils in maintained schools up to the end of the summer term after they had attained the age of 7 years; to pupils in maintained special schools irrespective of their age; and to children of 7 to 11 years old where it was recommended on health grounds. In addition, local authorities were empowered from the autumn term of 1978 to provide free school milk to all 7 to 11 year olds in maintained schools. Under present legislation local education authorities are able to decide for themselves whether or not to provide milk for any pupils attending maintained schools. Authorities are also free to make a charge for any milk they supply and to decide the circumstances under which milk should be provided. Some authorities provide free milk for children under the age of 7, a few provide it for those under the age of 11, whilst others restrict free milk to pupils in special schools and those who require it on health grounds. A number of authorities do not provide any free milk.

In Northern Ireland, by statutory requirement, one-third of a pint of milk is supplied free to any pupil in primary education who is certified as needing milk for health reasons or who attends a school at which a school meal is not available for that pupil. In addition, a similar quantity of free milk is provided for every pupil attending special schools. Prior to 1 September 1980 all pupils in primary schools received one-third of a pint per day if the school served meals, otherwise two-thirds of a pint (0.379 litre) per day.

From May 1977 European Community (EC) subsidies have been available for member states' programmes for

supplying milk and certain milk products (including those used in the preparation of meals) to school children. EC subsidy is conditional upon a minimum contribution being made by national or local authorities in the member states concerned.

#### **Milk products**

Figures for butter relate to the output of home creameries and are based on milk usage; production of butter on farms is excluded. Butter stocks represent quantities in public cold stores. They exclude stocks in private stores or in undischarged cargoes.

Figures for cheese relate to all home produced cheese other than the small quantities produced on farms outside the Farm Cheesemakers' Scheme. Figures for processed cheese are excluded as it is re-manufacture of home produced and imported cheese.

The condensed milk and milk powder relate throughout to quantities produced from full-cream or skimmed milk.

#### **Eggs in shell**

Disposals show the estimated quantities of hen and duck eggs produced for consumption in shell and for processing for human consumption in the United Kingdom, together with imported eggs. Sales for food relate to output for human consumption of hen and duck eggs.

#### **Canned and bottled fruit, canned vegetables and canned soups**

Fruits canned or bottled in the United Kingdom include home grown plums, apples, all varieties of soft fruit, and rhubarb; fruits such as peaches, pears and pineapples, imported either fresh or in containers and canned here, are also included. Stocks are those held by manufacturers.

The chief varieties of vegetables canned are peas (either fresh or processed) and beans in tomato sauce, but carrots, potatoes and other roots, certain green vegetables, and macaroni and spaghetti in tomato sauce are also included. Stocks are those held by manufacturers.

Vegetable soups are included in the figures of canned soups. The production of canned soups relates to the ready-to-serve equivalent from 1961 onwards; earlier figures relate to the net can content. From 1 January 1975 figures are derived from the Business Statistics Office quarterly sales inquiries.

Foods specially prepared for invalids, babies and young children are excluded.

#### **Cocoa beans**

Disposals are the quantities of raw cocoa beans used for grinding in the United Kingdom and exclude re-exports.

#### **Chocolate and sugar confectionery**

Medicated confectionery is excluded. Disposals include exports but not re-exports. Stocks are those held by manufacturers only.

#### **Tea**

Disposals are the quantities moving into consumption and exclude re-exports. Stocks comprise tea held in public warehouses, including the quantity entered for Customs but not yet landed, and amounts held by primary wholesalers.

#### **Raw coffee**

Disposals are the total quantities, in terms of raw coffee equivalent, used for all purposes. They include re-exports of raw beans and exports of processed coffee. Stocks comprise raw coffee in public warehouses and in transit to such warehouses and, since 1963, manufacturers' stocks.

#### **Soft drinks**

Concentrated (squashes, cordials, etc.) and unconcentrated

(table waters, etc.) drinks are differentiated. Glucose and diabetic drinks and fruit juices (including unfermented apple juice but not tomato juice) are included. Production from flavouring compounds is also included but not the production of flavouring compounds as such, nor of soft drinks in solid form; spa waters are not included. From April 1973 figures relate to sales figures taken from the Business Statistics Office quarterly sales inquiries.

### **Tobacco products**

The figures are supplied by HM Customs and Excise.

The statistics are derived from the quantities of finished products delivered to home use on which excise duty has been charged. The excise duty on cigarettes is charged on their number and value, and the statistics are expressed in numbers. The weight of cigarettes removed to home use is not available. For other tobacco products the excise duty is based on the weight of the finished product and quantities are expressed in kilograms.

### **Alcoholic drinks**

The figures are supplied by HM Customs and Excise, who can supply more detailed information if required.

#### **Spirits**

The quantities are given in litres of alcohol. A litre of alcohol is equivalent to about 3½rd 75cl size bottles at 40 per cent alcohol by volume, the typical strength at which most whisky is sold in the United Kingdom.

Production figures in the *Monthly Digest of Statistics* show the quantity of spirits distilled from malt and from unmalted grain for beverage consumption. The *Annual Abstract* series includes, in addition, a small quantity of beverage spirits produced by rectification of spirits distilled from molasses; in the financial year ended 31 March 1980 this amounted to about 18.9 thousand hectolitres of alcohol a month.

The consumption figures show the net quantities of spirits on which duty was paid, analysed by their description at the time of duty payment. Repayments are offset against the month in which the revenue is repaid. Mature spirits are spirits which have been warehoused for three years or more; delivery of immature spirits for home consumption is restricted to compounded or rectified spirits and liqueurs.

*Imported liqueurs:* these comprise spirits, whether mature or immature, which at the time of duty payment contain added sweetening materials.

*Other imported spirits (mature and immature):* Until 1 January 1976 these figures excluded perfumed spirits and those spirits which had been used in the manufacture of other commodities (e.g. liqueur chocolates). Most spirits in this category are neutral spirits.

*Home-produced mature spirits:* these are almost exclusively whisky.

*Home-produced immature spirits:* these comprise the quantity of plain spirit duty-paid prior to rectification or compounding, less the quantity of compounded spirit re-warehoused on drawback after rectification, etc., plus the quantity of compounded, etc., spirit duty-paid ex-warehouse for final consumption. The addition of the two columns for immature spirits shown in the *Monthly Digest of Statistics* table gives a rough indication of the consumption of gin and vodka in the United Kingdom.

*Unclassified spirits:* these are spirits for which information supplied on the documents has been inadequate to identify the origin or type of spirit.

#### **Beer**

Production figures relate to the quantity of worts produced during the period less a standard deduction of 6 per cent, 'worts' being the liquid produced from the mash before

fermentation has begun. The average gravity is now about 1,037.5 degrees.

Consumption figures show the net quantities of beer, including imported beer, on which duty was paid during the period. Repayments, e.g. on spoilt beer and drawbacks, are offset against the month in which the revenue is repaid.

From January 1976 statistics of home production and consumption take account of high gravity brewing wherein some brewing liquor is added after fermentation. The figures in each case are given in hectolitres irrespective of the gravity at which they are brewed. Duty is payable on imported beer at the time of import; on home-produced beer it is normally payable in the month following the month of production.

#### **Wine of fresh grapes**

Wine is any fermented beverage made from fresh grapes, and includes fortified wines and vermouths. The consumption figures show, by fiscal strength band, the net quantities on which excise duty was paid.

The three strength band excise duty structure is determined by the percentage of alcohol by volume at 20°C. Wine excise duty is charged at different rates for strengths of: not exceeding 15 per cent, over 15 and up to 18 per cent, and over 18 and up to 22 per cent. These bands are referred to as 'lower', 'middle' and 'higher' respectively. This system was introduced on 1 January 1976 and replaced the two strength band system in which the duty charged was based on the proof spirit content.

Statistics giving clearances of wine by tariff code number and a limited number of country headings are available on subscription.

#### **Made-wine**

Made-wine is any fermented beverage other than wine of fresh grapes, beer, lower strength cider and perry, that is containing less than 8.7 per cent of alcohol by volume. It includes cider and perry of artificially high strength. The figures are net quantities duty-paid in the period.

More detailed statistics are available on subscription.

#### **Cider and perry**

Cider and perry of a strength less than 8.7 per cent of alcohol by volume obtained from the fermentation of apple or pear juice without the addition of artificial colouring or flavourings, is now liable to excise duty. The consumption figures are the net quantities duty-paid in the period.

Duty is normally payable in the month following the month of production.

### **Household food expenditure and consumption**

#### **The sample**

In the course of a year the National Food Survey investigates the food budgets of about 7,500 households in 44 parliamentary constituencies, selected so as to be representative of Great Britain as a whole. In each household surveyed the housewife keeps a record for one week of all food purchased or entering the house without payment. A full description of the sampling methods of the National Food Survey are given in the *Annual Report for 1979, Household Food Consumption and Expenditure: 1979* (HMSO forthcoming).

Free supplies (garden, allotment produce, etc.) are included in the consumption figures with the result that average prices or values cannot be derived from the data published in the *Monthly Digest of Statistics*. (Estimates of average prices paid by housewives for over a hundred and fifty food items, however, are to be found in the *Annual Reports of the National Food Survey Committee*.)

#### **Household**

A group of persons living in the same dwelling and sharing

common catering arrangements. The size of household is defined in terms of the number of persons who spend at least four nights in the household during the week of survey and also have at least one meal a day from the household food supply on at least four days. The head of the household and the housewife are regarded as persons in all cases.

#### **Old age pensioner households**

Households in which at least three-quarters of the total income is derived from national insurance retirement or similar pensions and/or supplementary pensions or allowances paid in supplementation or instead of such pensions. Such households will include at least one person over the national insurance retirement age.

#### **Adult**

A person aged 18 years or over.

#### **Child**

A person under 18 years of age.

#### **Food purchased**

Quantities of all foods purchased during the week for consumption in the home (but including purchases of milk at school). The Survey excludes food eaten outside the home (except packed meals prepared at home), chocolate and sugar confectionery, soft drinks, alcoholic drinks, vitamin preparations, and food obtained specifically for consumption by domestic pets. For a few minor miscellaneous items, expenditure is recorded, but not the quantity (e.g. artificial sweeteners, flavourings, colourings, etc.).

#### **Free food**

Quantity of food entering the household without payment for consumption during the Survey week. Milk supplied in schools is included although it does not actually enter the household. Food grown or produced by the household and stored in bulk is recorded only when it is withdrawn from store.

#### **Consumption**

Averaged over a sufficiently large number of households and a sufficiently long period, the average quantity of food purchased plus the quantity of 'free' food will equal the average consumption if there is no general change in the level of larger stocks.

#### **Classification of foodstuffs**

##### **Other milk**

Includes condensed milk, dried milk, yoghurt, goats' milk, skimmed milk (liquid and dried) and buttermilk.

##### **Preserves**

Include jams, jellies and curds, marmalade, syrup, treacle, honey and honey spreads.

#### **Other cooked and canned meats**

Include corned meat; luncheon meat; pressed or cooked beef, veal, mutton, lamb, pork; veal and ham; tongue; brawn; meat puddings and pies; ready meals (but not frozen).

#### **Other meat products (not canned)**

Include meat pies; sausage rolls; pasties; puddings; ready meals (includes frozen convenience meat products).

#### **Fish, fresh and processed**

Includes smoked, dried, salted, cooked; pastes, spreads, etc.

#### **Fish and fish products, frozen**

Include frozen white fish (cod, haddock, plaice, etc.) and frozen convenience fish products (e.g. fish fingers).

#### **Fresh green vegetables**

Include fresh cabbages, brussels sprouts, cauliflower, leafy salads, peas, beans, spinach, sprouting broccoli and kale.

#### **Other fresh vegetables and frozen vegetables**

Include root vegetables, cucumbers, mushrooms, frozen vegetables and frozen vegetable products (including potatoes).

#### **Potatoes**

Include new and old potatoes, but not canned potatoes, chips, crisps and other potato products.

#### **All other fresh fruit**

Includes pears, stone fruit, soft fruit, bananas, rhubarb, melons, etc.

#### **Bread**

Includes rolls, Vienna and French bread, barley bread, fruit and malt bread, rye bread and starch-reduced bread.

#### **All other foods (for which expenditure only is shown)**

Includes cream, rabbit, hare, horse meat, etc.; cooking oils, suet, dripping, etc.; canned vegetables other than pulses, potatoes or tomatoes; dried vegetables; processed potatoes and vegetable products other than frozen; frozen fruit, fruit juices; canned milk puddings, rice, certain other cereal foods and products (including frozen); bean and ground coffee, coffee essences, branded food drinks; baby foods; spreads, dressings; dehydrated and powdered soups; bones, meat and yeast extracts, table jellies; condiments, herbs, flavourings, gravy powders, spices, curry powders; ice cream bought to serve as part of a meal, artificial sweeteners; novel protein foods.

## **7 Production, output and costs**

### **Index of industrial production**

This index is prepared by the Central Statistical Office in collaboration with the statistics divisions of government departments. It has been calculated with 1975 as base year for each month from January 1973. The purpose and methods of compilation of the index are described in terms of the 1970-based series in *Studies in Official Statistics No. 25: The measurement of changes in production* (HMSO 1976). An article in *Economic Trends* No. 205, May 1979: 'The rebased estimates of the index of industrial production' by D.C.K. Stirling, gives a detailed assessment of the effects of rebasing and improvements in the methodology for compiling the index. An Occasional Paper is available from

Branch 5, Central Statistical Office, describing the weights and indicators used in compiling the rebased index. The previously published quarterly seasonally adjusted series from 1952, and annual series from 1948, reclassified as far as possible on to the 1968 Standard Industrial Classification have been linked to the 1975-based data using 1973 as the link year.

The index is intended to provide a general measure of monthly changes in the volume of industrial production in the United Kingdom. Mining and quarrying, manufacturing, construction, and gas, electricity and water are included; but agriculture, trade, transport and finance and all other public and private services are excluded. The index



covers the production of both capital goods and consumer goods for the home market, for export and for the armed forces.

The index is a weighted arithmetic average. In combining the individual production series, the method used has been to give each industry a weight proportional to its value added in 1975 derived from the Census of Production for that year.

One third of the series used have only quarterly indicators. The remaining two-thirds are compiled from monthly data. About one quarter of the series represent physical quantities produced or the value of production adjusted for changes in prices. Other series, about one third, make use of quarterly sales inquiries covering the entire output of the industry and relate either to physical quantities sold or, more usually, to the value of sales adjusted for changes in prices. The remaining indicators are obtained from the results of monthly sales inquiries, quarterly surveys of work done and, to a much lesser extent, materials input or consumed.

The level of production is expressed as a percentage of the average monthly production in 1975. To ensure comparability between different months, adjustments have been made (where the basic figures refer to calendar months) for variations in the number of days in each month, excluding for each industry those which are not normally working days. The unadjusted index thus compares the average weekly rates of production in the different months. It reflects, however, any change in production resulting from public and other holidays and from seasonal factors, for which no adjustments have been made. This index is no longer published but data may be obtained by contacting the Branch 5 of Central Statistical Office.

#### Adjustments for seasonal variations

Indices which have been adjusted for holidays and other causes of seasonal variation are also prepared. These series are designed to eliminate normal month to month fluctuations and thus to show the trend more clearly.

Adjusting for seasonal variation is more hazardous than adjusting for the varying number of working days in a month. It is to some extent dependent on judgment and interpretation and is partly based on the assumption that the seasonal pattern of recent years will recur in the year ahead. Since the seasonal pattern may be changing, the month to month variations have to be kept under review and periodically the seasonal adjustment factors are reassessed.

The estimates of seasonal movement are obtained in two steps. The indices of production are adjusted for differences in the number of days in each month (this unadjusted data may be obtained by contacting the Central Statistical Office) and the first step is to estimate the movement in the indices arising from moveable public holidays. The indices are adjusted to remove the effect of these holidays, and further adjusted so that the annual average is equal to the average of the unadjusted indices.

The second step is to determine the remaining seasonal variations (including those due to regular public holidays) by averaging percentage deviations in each month from a succession of moving averages. These averages are used to calculate a seasonal adjustment factor for each month; this may change from year to year if the seasonal pattern is altering. The method of seasonal adjustment which is currently being used for this index is the X-11 variant of the Census Method II Seasonal Adjustment Program which is described in *Technical Paper No. 15* of the US Department of Commerce, Bureau of the Census.

These seasonally adjusted series of indices should not be regarded as in any way more reliable than the unadjusted, and are not intended to replace them. The original unadjusted series are the measures of changes in the weekly rate of production from month to month while the seasonally adjusted series, which exclude regularly recurring fluctua-

tions, are designed for the sole purpose of making the trend more readily discernible.

#### Industrial classification

The industrial analysis of the index is in conformity with the *Standard Industrial Classification* (HMSO 1968) to which reference should be made for details of the composition of each industrial group.

#### Market sector analysis

These groupings combine the output of industries which meet broadly similar categories of demand. They were introduced and described in *Economic Trends*, November 1973. Because the index measures the output of an industry and not of commodities each market sector group will include some output from the other sectors.

#### Output per head

For these series, output for the economy as a whole is the output-based measure of the gross domestic product. This series is used to achieve consistency with the industrial analysis for which the measures of output are the constituent series of the index of production. An additional six groups, which give a comprehensive coverage of manufacturing activities plus three non-manufacturing industry groups, are published. Whole economy and total index of industrial production groups are given both with and without MLH 104 (extraction of mineral oil and natural gas). Some series within the index of industrial production are based on sales information and may overstate or understate the level of output. The index numbers for output per head allow for this by adjusting output for changes in the levels of stocks in these sectors. Output per head is defined as the output per person employed i.e. the denominator includes employees in employment, and self-employed persons (with or without employees), counting both full-time and part-time workers as whole units. Members of HM Forces are included in the index for the whole economy. The indices of the employed labour force for the whole economy have been adjusted to reflect estimated average employment levels for the quarter as a whole rather than, as in the past, at the end of the quarter.

#### Indices of labour costs

The index of total home costs per unit of output is derived by dividing the estimate of gross domestic product at current factor cost based on expenditure data by the corresponding estimate valued at constant prices. In the series for both wages and salaries and labour costs the denominator is the income-based gross domestic product at current prices deflated by the series for total home costs.

Labour costs include not only wages and salaries but also employers' national insurance contributions, selective employment tax less premiums and refunds, the national insurance surcharge, contributions to the Redundancy Fund and to superannuation schemes, pension funds, etc.

Both the series for output per head and labour costs were first published in *Economic Trends* (October 1968) and the *Employment and Productivity Gazette* (October 1968). The article accompanying the series describes in greater detail the construction and significance of the figures.

A monthly index of wages and salaries per unit of output in manufacturing, consistent with the series referred to above, is compiled by the Department of Employment using monthly indices of average earnings, employment and output, averaged over 3 months. The construction and significance of the figures are described on page 360 of the *Department of Employment Gazette* (April 1971) and page 317 of the *Yearbook of Labour Statistics*, 1971. A quarterly series is constructed from the monthly one, and recent figures from the annual, monthly and quarterly series appear regularly in Table 5.7 of *Employment Gazette*.

## 8 Energy

### Inland energy consumption: input of primary fuels and equivalents

#### Coal

Consumption by primary and secondary fuel producers *plus* disposals to final users, *plus* (for annual figures only) net foreign trade and stock-change in other solid fuels.

#### Petroleum

Refinery throughput of crude oil, *plus* net foreign trade and stock-change in petroleum products, *less* deliveries of non-energy products.

#### Natural gas

Indigenous natural gas (methane) produced, excluding the amount flared or re-injected, *plus* imports, *plus* colliery methane piped to the surface and consumed at collieries or sold. Supplies for non-energy purposes are included.

#### Nuclear electricity

Electricity generated by public supply nuclear power stations together with estimates of electricity generated for public supply by other nuclear sources.

#### Hydro electricity

Electricity generated by public supply and industrial hydro stations (excluding pumped storage stations) adjusted to take account of the net quantities of electricity imported.

#### Coal and oil equivalents

The conversion factors used are:

- 1 tonne of petroleum = 1.7 tonnes of coal
- 250 therms of natural gas = 1 tonne of coal

Nuclear and hydro electricity is expressed in coal or oil equivalent as the notional amount of fossil fuel that would have been needed to produce the same quantities of electricity at the efficiency of contemporary conventional steam power stations.

#### Temperature corrections

The corrections used are:

Temperature correction per centigrade degree

|           |                  |
|-----------|------------------|
| Coal      | 2.1%             |
| Petroleum | 0.7% (June-Aug.) |
|           | 1.8% (Sept-May)  |

Natural gas is corrected based on a method developed by the British Gas Corporation.

The adjusted total inland energy consumption series includes temperature corrections for coal, petroleum and natural gas. The figures for consumption of other primary fuels are not corrected for temperature.

### Supply and use of fuels

#### Production of primary fuel

**Coal.** Includes all types of coal. Slurry, whether recovered by the National Coal Board or by other operators is included.

**Petroleum.** Crude petroleum and naturally occurring gases, ethane (C<sub>2</sub>), propane (C<sub>3</sub>), butane (C<sub>4</sub>) and condensates (C<sub>5</sub> or heavier) from onshore and offshore fields.

**Natural gas.** As described under inland energy consumption.

**Primary electricity.** Nuclear and hydro electricity as described under inland energy consumption except that no adjustment is made for net quantities of electricity imported.

#### Non-energy use

Petroleum products not used as fuels i.e. feedstock for petroleum chemical plants, industrial and white spirits, lubricants, bitumen, waxes and miscellaneous products.

#### Total primary energy

This is the sum of the thermal contents of primary fuels consumed by secondary fuel producers and those consumed directly by final users and primary fuel producers. The difference between this total and the total thermal content of all fuels consumed by final users comprises:

(a) use of fuels by collieries (other than for generation of electricity for sale to the public supply) and oil refineries and by secondary fuel producers for other than conversion;

(b) losses in the distribution of primary and secondary fuels, losses by secondary fuel producers in conversion processes and fuel industries own use.

The thermal content of primary fuels consumed by secondary fuel producers consists of their thermal inputs of coal, petroleum and natural gas *plus* the thermal equivalent of the fossil fuel which would be required to produce nuclear and hydro electricity, as defined above under 'Coal and oil equivalents'.

#### Final consumption

Detailed definitions of the final consuming sectors are given in the *Digest of United Kingdom Energy Statistics* (HMSO) prepared by the Department of Energy.

#### Conversion to therms

In expressing fuel consumption in therms, no conversion is necessary for gases (except petroleum gases). Electricity is converted at 29.3 kWh. = 1 therm. The estimated gross calorific values used to convert the statistics for petroleum gases and solid and liquid fuels are published in the *Digest of United Kingdom Energy Statistics*.

#### Coal: supply

##### Net inland supply

The sum of total production and net imports.

##### Deep mined coal

Production figures relate to saleable output, i.e. the sum of the coal sold commercially, consumed by the colliery and supplied to ancillary works, and disposed of free and at concessionary prices *plus* the increase or *less* the decrease in colliery stocks of saleable coal. Slurry and coal recovered from colliery tips by the National Coal Board is included in deep mined production when sold or consumed at the colliery. Estimates for slurry recovered other than by the National Coal Board are included in total production only.

##### Opencast coal

Coal which is not mined but is obtained from deposits near the surface mainly by contractors. Screening and washing losses are excluded.

#### Coal: imports and exports

The figures are derived from returns made by importers and exporters to HM Customs and Excise, and published in summary form in the *Overseas Trade Statistics of the United Kingdom* (HMSO).

#### Coal: inland consumption

##### Collieries

Coal used for boilers, colliery power stations and other purposes.

##### Power stations

Coal used for all purposes at public supply power stations.



**Coke ovens**

Coal carbonized, consumed for other purposes or lost in cleaning at coke ovens.

**Gas works**

Coal used for all purposes at gas works making gas for public supply.

**Other conversion industries**

Consumption of coal at low temperature carbonization plants and briquette works.

**Industry**

Coal used for all purposes at other industrial establishments. The figures relate to colliery and opencast disposals.

**Domestic**

*House coal:* The figures relate to colliery and opencast disposals and include coal supplied free of charge or at reduced prices to miners, officials, etc. in the coalfields.

*Other:* Figures include colliery and opencast disposals of anthracite and dry steam coal plus disposals of imports of these naturally smokeless fuels.

**Other**

Colliery and opencast disposals to national and local authorities, commercial and non-industrial establishments, transport undertakings (except power stations) and shipments to the Channel Islands.

**Coal: stocks**

Distributed stocks are those held by the fuel conversion industries, by railways and by the armed services. Undistributed stocks are those held at collieries, opencast sites and central stocking grounds.

**Mined coal: manpower and productivity**

Figures for manpower, recruitment and wastage, absence and output per manshift relate only to collieries operated by the National Coal Board.

**Wage earners on colliery books**

Workers in industrial grades employed at collieries and in activities connected with the getting, raising, handling, preparation and transport of coal, or other minerals which are got with coal, up to the point of despatch to consumers outside the colliery. These activities include coal preparation plants, power stations forming part of the colliery, and landsale depots but exclude central workshops and central power stations. Industrial grade workers include colliery under-officials up to the rank of overman but exclude undermanagers, other administrative staff and clerical workers.

Workers absent with good reason and known to be intending to return are retained on colliery books up to eighteen months. Workers absent without good reason are normally removed from the books at the end of the third consecutive week of absence.

**Recruitment**

The number of men signed on at collieries during the period excluding men known to have transferred from another colliery without a break in their service.

**Wastage**

The number of men struck off colliery books during the period less the number of men excluded from recruitment as transfers from other collieries.

**Absence**

The percentage of authorised absences, mainly for reasons of sickness or injury, plus unauthorised absences in the

five-day week to the number of men on books multiplied by the number of days in the period excluding Saturdays and Sundays.

The absence percentage is based on all men on colliery books including long-term sickness and injury cases. Absentees do not, however, include men attending training classes, trade union or Consultative Committee meetings, or men who lose shifts on account of recognized holidays, disputes and other causes of stoppages of work.

**Average output per manshift**

Overall and underground (total): The total output of saleable revenue coal divided by the total revenue manshifts worked.

Underground (production): The output of saleable revenue coal from production faces divided by the number of manshifts worked by men directly engaged on the coal-getting operations, including craftsmen, trainees and officials.

*From April 1980 certain drivages have been re-classified from revenue to capital account, and both the manshifts worked and the coal produced from those drivings are now excluded from the calculations.*

**Gas: public supply**

The public gas supply system consists of the British Gas Corporation and the gas supply undertakings in Northern Ireland.

**Natural gas supply**

This is the natural gas input into the British Gas Corporation's transmission system. Indigenous supplies include those purchased by the British Gas Corporation from operators on the United Kingdom part of the Continental Shelf as well as from those operating on land in this country.

**Other fuel used**

The coal and oil (including petroleum gases) used by the gas supply industry for gas making and for all other purposes.

**Gas sent out**

Town gas includes gas made, other than substitute natural gas, together with manufactured and natural gas purchased by the gas supply industry and reformed. Natural gas for direct supply includes substitute natural gas and gas supplied for non-energy purposes.

**Sales of gas: public supply**

Gas sales include adjustments to the quantities billed to allow for the estimated consumption remaining unread at the end of each period. The figures of gas supplied to the iron and steel industry are based on information provided by that industry.

**Electricity: public supply**

The public supply electricity industry comprises the Central Electricity Generating Board and Area Electricity Boards in England and Wales, the North of Scotland Hydro Electric Board, the South of Scotland Electricity Board and the Northern Ireland Electricity Service.

**Fuel used**

The factors used for conversion to coal equivalent are given under 'Coal and oil equivalents' above.

**Own use**

This is the difference between total electricity generated and electricity supplied, and is the electricity used at the works for lighting and auxiliary power, and for pumping at pumped storage stations.

**Total electricity available**

This comprises electricity supplied from public supply

stations *plus* purchases from industrial producers (mainly nuclear power stations of the United Kingdom Atomic Energy Authority and British Nuclear Fuels Limited) *plus* net imports from France and Eire. The figures for England and Wales take account of net exchanges with Scotland.

#### **Sales of electricity: public supply**

Sales are less than total electricity available because of losses in transmission and distribution, and include consumption by the supply industry's offices and showrooms. The sales figures included for England and Wales, for the South of Scotland, for Northern Ireland and for North of Scotland, from 1967/68, 1973, 1975 and 1977 respectively, include an adjustment to the billed sales to allow for the estimated usage remaining unread at the end of each period. Prior to these dates, the figures relate to sales actually recorded on meters read during the period concerned.

#### **Electricity: public supply plant capacity**

##### **Output capacity**

The maximum continuous rating of the generators after allowing for station consumption and any limitations in the capacity of prime movers. The change in output capacity may differ from the amount of new plant brought into commission, because of scrapping of old plant or the re-rating of plant continuing in use.

##### **Maximum load United Kingdom**

The simultaneous maximum load in Great Britain together with the maximum load met during the period, although not necessarily at the same time, in Northern Ireland. Annual figures are the maximum occurring near the end of the year or early in the following year.

Simultaneous maximum load is defined as the maximum load on the grid at any one time *plus* the load on stations not connected to the grid. For Great Britain it is the sum of the maximum load met by the Central Electricity Generating Board and the loads met at the same time by the two Electricity Boards in Scotland.

#### **Petroleum**

##### **Gross indigenous production**

This is the aggregate amount of:

- (a) crude oil produced on land.
- (b) crude oil produced in the UK part of the Continental Shelf and includes any petroleum gases and condensates separated from the oil at subsequent processing stages (prior to refining). This quantity is as recorded before deduction for utilities use or adjustment for stock change on platform (including tanker-loading systems) or losses.
- (c) condensates from gas fields (production is measured at the land terminal separation plant after the gas has been processed and condensates extracted).

##### **Arrivals and shipments**

The terms 'arrivals' and 'shipments' are used to distinguish figures recorded by importers and exporters of oil from import and export figures provided by HM Customs and Excise. Arrivals and shipments are used in order to be consistent with the other statistics reported by the petroleum industry.

##### **Refinery production**

Crude and process oils comprise all feedstocks, other than distillation benzinens, for treatment at refinery plants. The figures do not cover the further treatment of finished products for special grades such as in distillation plants for the production of industrial spirits.

##### **Inland deliveries into consumption**

Deliveries of all petroleum products in the United Kingdom

and the Channel Islands including petroleum substitutes marketed by the petroleum industry. Coal tar fuels, natural gas (methane) and refinery fuel are excluded. Otherwise, the figures are inclusive of the petroleum industry's own use.

Gas/diesel and fuel oils used in coastal and fishing craft are included in inland deliveries, but deliveries under bunker contracts for ships engaged in foreign trade are excluded.

Deliveries of motor spirit to dealers comprise deliveries to garages and other retailers. Commercial consumers are those receiving direct deliveries for use in their own businesses.

#### **Products used as fuel**

*Refinery fuel*—all petroleum products used as fuel at refineries.

*Propane*—hydrocarbon containing three carbon atoms, gaseous at normal temperature but generally stored and transported under pressure as a liquid. Used mainly for industrial purposes and some domestic heating and cooking.

*Butane*—hydrocarbon containing four carbon atoms, otherwise as for propane. Additional uses—as a constituent of motor spirit to improve volatility and as a chemical feedstock.

*Other gases for gas works—ethane and refinery gases*—resulting from the processing of crude petroleum.

*Naphtha (light distillate feedstock) for gas works*—petroleum distillate boiling predominantly below 200°C.

*Aviation spirit*—specially blended light hydrocarbons intended for use in aviation piston-engined power units.

*Wide-cut gasoline*—light hydrocarbons intended for use in aviation gas-turbine power units.

*Motor spirit*—blended light petroleum distillates used as a fuel for spark-ignition internal combustion engines other than aircraft engines.

*5 star grade*—all finished motor spirit with an octane number (research method) not less than 100.

*4 star grade*—all finished motor spirit with an octane number (research method) not less than 97.

*3 star grade*—all finished motor spirit with an octane number (research method) not less than 94.

*2 star grade*—all finished motor spirit not intended for marketing as 5, 4, or 3 star grades.

*Aviation turbine fuel*—specially refined kerosene intended for use in aviation gas turbine power units.

*Burning oil (kerosene)*—refined petroleum distillate intermediate in volatility between motor spirit and gas oil, used for lighting and heating. Excluding distillates which are included under white spirit and kerosene used for lubricant blends.

*Vaporizing oil*—blended kerosene-type petroleum distillate used in certain types of spark-ignition engines such as those used for agricultural purposes, stationary engines and boats.

*Gas/diesel oil*—petroleum distillate having a distillation range intermediate between kerosene and light lubricating oil:

(a) *Derv* (Diesel Engine Road Vehicle) fuel—gas/diesel oil suitable for use in high-speed, compression-ignition engines in road vehicles subject to Vehicle Excise Duty.

(b) *Other*—used in furnaces for the production of heat (e.g. for central heating) in diesel engines of vehicles not subject to Vehicle Excise Duty (e.g. diesel locomotives, tractors, earth-moving equipment) and in stationary diesel engines and gas turbines (e.g. for the generation of electricity and for air compressors, etc.).

(c) *Marine diesel oil*—heavier type of gas oil suitable for heavy industrial and marine compression-ignition engines.

*Fuel oil*—heavy petroleum distillates or petroleum residues or blends of these used in furnaces for the production of heat or power. Excluding fuel oil for grease making or lubricating oil and fuel oil sold as such for road making.

#### **Products not used as fuel**

*Feedstock for petroleum chemical plants*—all petroleum products intended for use in the manufacture of petroleum chemicals. (A deduction has been made from these figures equal to the quantity of feedstock used in making the conventional petroleum products which are produced during the processing of the feedstock. The output and deliveries of these conventional petroleum products are included elsewhere as appropriate.)

*White spirit*—a highly refined distillate with a boiling range of about 150° to 200°C used as a paint solvent and for dry cleaning purposes, etc.

## **9 Chemicals**

### **Fertilisers**

Natural organic fertilisers are excluded from the statistics. Figures are of manufactured fertilisers. Manufactured fertilisers may be straight (i.e. containing only one of the three primary nutrients—P<sub>2</sub>O<sub>5</sub>, phosphate; N, nitrogen; and K<sub>2</sub>O, potash) or compound (i.e. containing either two or three of these primary nutrients).

### **Production figures**

Phosphate production figures cover only single superphosphate and basic slag, and are expressed in nutrient content terms. Production of compounds is expressed as total weight produced.

### **Deliveries to UK agriculture**

All figures include imported fertilisers. Nitrogen deliveries are expressed in nutrient content terms and are divided into straight nitrogen fertilisers and the nutrient content of nitrogen in compound fertilisers. Phosphate and potash delivery figures show the nutrient content tonnes of these primary nutrients in both straight and compound fertilisers. The total weight of compound fertilisers delivered to UK agriculture is stated separately.

### **Sulphur and sulphuric acid**

#### **Sulphur, etc.**

The figures relate to acid sulphur, spent oxide, and zinc concentrates for use in the manufacture of sulphuric acid. Figures for acid sulphur include recovered sulphur and the sulphur content of filter cake, H<sub>2</sub>S and ferrous sulphate.

Stocks of acid sulphur and spent oxide are the quantities at acid works.

#### **Sulphuric acid (as 100 per cent acid)**

Consumption figures include recovered sulphuric acid.

### **Dyestuffs and pigments: paint and varnish**

#### **Dyestuffs and pigments**

The figure for synthetic dyestuffs includes the following groups: acid, azoic, basic, direct, disperse, mordant, sulphur, solvent and vat.

Synthetic organic pigments include toners and lakes.

Sales are stated in terms of actual weight i.e. the total weight of a pigment or dyestuff.

*Industrial spirits*—refined petroleum fractions with boiling ranges up to 200°C dependent on the use to which they are put—e.g. seed extraction, rubber solvents, perfume, etc.

*Lubricating oils (and greases)*—refined heavy distillates obtained from the distillation of petroleum residues. Includes liquid and solid hydrocarbons sold by the lubricating oil trade, either alone or blended with fixed oils, metallic soaps and other organic and/or inorganic bodies.

*Bitumen*—the residue left after the production of lubricating oil distillates. Used mainly for road making and building construction purposes. Includes other petroleum products, creosote and tar mixed with bitumen for these purposes and fuel oil sold as such for road making.

*Paraffin wax*—includes paraffin wax, which is a white crystalline hydrocarbon material of low oil content normally obtained during the refining of lubricating oil distillate, paraffin scale, slack wax, microcrystalline wax and wax emulsions. Used for candle manufacture, polishes, food containers, wrappings, etc.

### **Paint and varnish**

The figures relate to sales by manufacturers employing 25 or more persons at the beginning of that year. Figures for cellulose-based paints, varnishes and lacquers include clear solutions and pigmented cellulose paints. Other includes oils and synthetic based non-aqueous paints; marine paint (anti-fouling and anti-corrosive paints and compositions for use below water-line only); bituminous paints.

### **Synthetic resins and plastics materials**

#### **Products of condensation, polycondensation and polyaddition**

These include alkyds, aminoplastics, phenolics, unsaturated polyesters, epoxide resins and other products including polyurethanes (non-foam forms). Polyamides (including material for fibre spinning and monomer cast forms) are included but casein products are excluded.

#### **Products of polymerisation and copolymerisation**

These include acrylics, polyolefins, polyvinyl chloride, polyvinyl acetate, polystyrene and ABS.

#### **Cellulosics and other plastics and modified natural resins**

These include regenerated cellulose film, casein and resin ester gums.

#### **Intermediate forms between resins and semi-finished products**

These comprise moulding and extrusion compounds of alkyds, unsaturated polyesters, aminoplastics and phenolics and plasticised and unplasticised compounds of polyvinyl chloride.

#### **Semi-finished products**

These mainly comprise laminated thermosetting sheet and unconverted film and sheet.

### **Other miscellaneous products**

#### **Industrial ethyl alcohol**

Figures show the quantities of ethyl alcohol produced for industrial purposes; industrial ethyl alcohol is distilled from molasses or derived from other processes. A small quantity of molasses spirit is used in beverage spirit production. This amounted to about 18.9 thousand hectolitres of alcohol a month in the year ended 31 March 1980, and has already been deduced from the figures shown.

### **Soap**

Figures relate to production of manufacturers employing 25 or more persons and represent production for all purposes, including export, of all types of soap except dentrifices. Lathering shaving soap, and cream and soap shampoos are included.

## **10 Metals, engineering and vehicles**

### **Iron and steel**

#### **Iron ore**

The ferrous content of home ore is about 26 per cent compared with an average of about 62 per cent for imported ore.

#### **Pig iron**

Blast furnace iron and blast furnace ferro-alloys.

Consumption in steel works and steel foundries, wrought iron and refined iron works and iron foundries. Excludes consumption in iron foundries of refined and cylinder iron made otherwise than in blast furnaces.

#### **Scrap**

Consumption in steel works and steel foundries, wrought scrap (including scrap arising in own works) consumed in steel melting furnaces and converters, blast furnaces, wrought iron and refined iron works, and iron foundries.

#### **Crude steel production**

Steel ingots, continuously cast blooms, billets and slabs and steel for castings.

#### **Crude steel stocks**

Ingots and the ingot equivalent of semi-finished and finished steel held at producers' works; excluding stocks held by consumers and stockholders.

#### **Net deliveries of finished steel**

Includes imported steel, but excludes all material for intra-industry conversion; exports are included.

#### **Consumers' and stockholders' stocks of finished steel**

Finished steel from all sources, i.e. produced in the United Kingdom or imported.

#### **Iron castings**

Weight of iron castings in the black state (up to and including fettling).

#### **Net deliveries of finished steel from UK production**

##### **Other heavy rolled products**

Joists and beams, 80mm web and over; angles, tees and other sections, 80mm and over; rounds, squares and hexagons, 80mm and over across face; flats, over 180mm wide and over 4mm thick; arches and accessories.

##### **Wire rods**

Rods and bars in coil, excluding bars and rods for reinforcement.

##### **Other light rolled products**

Rods and bars for reinforcement; bright steel bars; other light rolled sections and hot rolled bars, of dimensions less than those given for heavy rolled products; flats up to and including 150mm wide.

##### **Hot and cold rolled strip**

Material rolled in widths, less than 600mm (hot rolled), and up to and including 500mm (cold rolled).

### **Synthetic detergents**

The figures relate to sales of detergents by the larger United Kingdom manufacturers for use primarily for washing purposes. Surface-active material for use as disinfectants, wetters, spreaders and emulsifiers is excluded. Detergent precursors, e.g. dodecyl benzene, and abrasive and scouring preparations containing synthetic detergents are also excluded. The figures are free of double counting of materials at different stages of manufacture.

#### **Sheets coated and uncoated**

Material under 3mm thick in widths of 600mm and over (hot rolled), and over 500mm (cold reduced), whether coiled or not.

#### **Tinplate and blackplate**

Includes tin-free steel and blackplate (uncoated tinplate milled for sale as such).

#### **All other products**

Tyres, wheels, axles and rolled rings; forgings (other than drop forgings), and castings.

### **Non-ferrous metals**

Stocks of non-ferrous metals relate to consumers' stocks, including stocks held by consumers in London Metal Exchange warehouses and other privately held stocks, but exclude all government held stocks. Stocks in transit in the United Kingdom are included throughout.

#### **Copper**

Primary copper is copper refined from imported blister. Secondary refined copper includes copper refined from scrap and small quantities of copper smelted and refined from ores but excludes remelted copper. Consumption of refined copper (primary and secondary) is as reported by consumers.

Consumption of copper in scrap is obtained by the difference between copper content of output and consumption of refined copper. Monthly figures of scrap consumption are particularly affected by variations in the amount of work in progress and should be used with caution.

Production of wrought semi-manufactures includes wire, rods, bars, sections, sheet, strip, plate and tubes of copper and copper alloys (gross weight of alloys).

Production of castings includes both copper and copper alloys (gross weight of alloys).

Stocks of refined copper include copper in wire bars.

#### **Aluminium**

Primary production includes primary based alloy. Secondary production includes primary content of secondary.

Despatches includes despatches to home customers and exports. Primary despatches includes imported material. Wrought material includes wire, rods, bars, sections, sheet, strip, plate and tubes of aluminium and aluminium alloys.

#### **Lead**

For English refined lead the series relate to soft and antimonial lead refined from secondary and scrap material, and from domestic ores, including that refined by consumers for their own use.

Home consumption of refined lead includes imported primary, English refined lead and lead imported for processing on toll. Stocks of refined lead include imported primary and English refined lead.

The consumption of scrap lead includes re-melted lead but excluding secondary antimonial (hard) lead recovered



from scrap, whether for sale or own use, when used by the ultimate consumer.

#### **Tin**

Home consumption of tin is as reported by consumers.

#### **Zinc**

Slab zinc is unwrought zinc, excluding remelted zinc.

Under 'consumption' other zinc (metal content) includes not only scrap (zinc content of brass and other alloy scrap, re-melted and scrap zinc metal and zinc content of residues) but also partially refined metal not classified as slab zinc and concentrates used directly in manufacturing processes such as galvanizing (but not used in zinc production).

#### **Engineering and allied products**

This table presents statistics collected by the Business Statistics Office Quarterly Inquiry system and relates to those products classified to Orders VII-XII of the Standard Industrial Classification 1968.

The statistics given in the table are identical to those already published in Business Monitors and, as such, relate to total sales of those products by firms classified to Orders VII-XII of the Standard Industrial Classification 1968 but also include sales of these products by firms classified to other industries.

The statistics are collected from those firms who employ 50 or more employees, except for MLH 333.1/3 (cut-off 35), MLH 334, 369.1 (cut-off 200), MLH 336/7/8, 351, 354, 367, 369.4/5 (cut-off 75), 339.1, 339.5, 361, 364, 366, 368 (cut-off 100), 349.1 and 369.2/3 where the cut-off is 300.

#### **Mechanical, instrument and electrical engineering seasonally adjusted volume index numbers**

These tables provide seasonally adjusted volume index numbers of total, home and export sales, orders on hand and new orders (net of cancellations) of the industries classified to Orders VII, VIII and IX of the Standard Industrial Classification 1968, excluding the ordnance and small arms industry and process plant engineering contractors. The basic data for the index numbers of home sales is obtained by subtracting exports from totals and, in a similar manner, data for new orders is derived from current sales and the change in orders on hand. Seasonally adjusted total indices are obtained by combining the seasonally adjusted

## **11 Textiles and other manufactures**

### **Indices of production in the textile and clothing industries**

These indices provide a general measure of the changes in the volume of production in the textile and clothing industries. For further information regarding the compilation of these indices, see Section 7.

#### **Textiles**

##### **Raw wool**

The production figures show the weight of British fleece wool taken up by the British Wool Marketing Board and the weight of wool produced by fell-mongering from British sheepskins.

Home consumption is the estimated clean weight consumed in combing, woollen spinning and felt making.

Stocks figures show the estimated clean weight of all raw wool in the United Kingdom, excluding farmers' stocks not yet taken on charge by the British Wool Marketing Board. These estimates are subject to revision each year following the results of the annual census of wool stocks taken at the end of August.

home and export series.

The index numbers for the combined engineering industries are initially published, together with a commentary, in *British business. Business Monitor* PM33-36 contains the complete set of tables, together with full notes and an expanded commentary. Quarterly indices of home and export sales, orders on hand and new orders for individual census industries within the engineering sector (excluding the ordnance and small arms and process plant engineering contractors industries), may be found in *Business Monitor* PQ33-36.

The indices are based upon the results of a monthly enquiry which began with information for January 1972. Establishments with 100 or more employees (200 in Order IX) are included and estimates are made for non-respondents. The estimation procedure is described in more detail in two articles; one in *Economic Trends* for April 1972, and the other in *Statistical News* for November 1972.

Improvements to the processing system were made during 1977. An article in *Trade and Industry*, 2 December 1977, introduced the revised series, with a brief note on the reasons for the changes and tables containing the revised series, quarterly back to 1970.

#### **Motor vehicles**

The production figures for individual months are totals for periods of four or five weeks.

##### **Passenger cars**

Taxis, estate cars and station wagons are included but three-wheeled vehicles are excluded. Chassis delivered as such by motor manufacturers are included.

##### **Commercial motor vehicles other than omnibuses, coaches and trolleybuses**

The following types of vehicles are included: lorries and vans, ambulances, wheeled tractors for road haulage and special-type vehicles other than armoured fighting vehicles for the Services. Chassis delivered as such by motor manufacturers are included. Battery-driven electric road vehicles and three-wheeled vans are excluded.

##### **Omnibuses, coaches and trolleybuses**

The figures include complete single-deck omnibuses and coaches designed with eight to fifteen seats, excluding the driver's.

##### **Woollen yarn**

Production figures are estimated from the weight of all fibres including man-made fibres, consumed by spinners of yarn on the woollen system. All types of yarn are covered, including hand-knitted and carpet and rug yarns.

##### **Woven wool fabrics**

The figures represent the total deliveries of all fabrics woven in the wool textile industry. Woven woollen fabrics are fabrics which are mainly woollen by weight of components; similarly, woven worsted fabrics are fabrics which are mainly worsted by weight of components.

##### **Wool blankets (including mixtures and man-made fibres)**

The following factors apply: 1 full size blanket=4.51 square metres, 1 cot blanket=1.17 square metres.

##### **Raw cotton**

Home consumption figures show the quantities used for cotton spinning.

Stocks figures represent the estimated weight of raw cotton held in Liverpool and Manchester certified warehouses and in Manchester docks, and by spinners in mills and up-country warehouses.

#### **Single yarn spun in the cotton industry**

Production is the total conditioned weight of single yarn spun whether for sale or for further manufacture by the same firm. Yarn spun on commission is included.

Cotton yarn excludes waste yarns and mixture yarns.

Cotton waste yarns are yarns spun from cotton waste and from raw cotton on the condenser and other waste spinning systems.

Spun man-made fibre and mixture yarns are spun yarns of rayon, nylon and other man-made fibres, mixture yarns of cotton and man-made fibres and of cotton and wool, and waste yarns other than those wholly of cotton waste and raw cotton.

#### **Woven cloth of cotton and man-made fibres**

The figures include cloth made for sale, cloth which is made up into household textiles, etc., by the same firm, and cloth woven on commission. Cloth for industrial uses such as tyre fabric is included as well as cloth for clothing and for household textiles. The figures represent the length in metres of cloth in the loom state before undergoing finishing processes: but cloth intended for splitting is included in length as split (for example, one metre of cloth intended to be split into two pieces is shown as two metres).

Man-made fibre and mixture cloth is cloth made wholly from continuous filament and spun rayon, nylon and other man-made fibres and mixture cloth, containing not less than 85 per cent by weight of man-made continuous filament yarn and yarns spun in the cotton industry, as defined above, or similar yarns spun abroad.

#### **Man-made fibres**

Figures relate to output of man-made fibres in commercial production in the United Kingdom.

#### **Jute cloth**

Production is estimated from consumption of yarn by jute cloth weavers.

#### **Imported jute goods**

The figures relate to total imports of woven fabrics of jute and new sacks and bags of jute as published in *Overseas Trade Statistics*.

#### **Hosiery**

The figures relate to sales by establishments employing 25 or more persons. These figures include garments made-up from knitted fabrics of all types by establishments engaged in knitting, except those engaged mainly in warp knitting. The figures exclude garments made-up from knitted fabrics by establishments not engaged in knitting.

#### **Timber**

##### **Softwood and hardwood**

Pitwood is excluded. Hardwood figures include logs for veneer production.

Deliveries of imported softwood and hardwood are based on imports as recorded in *Overseas Trade Statistics* adjusted for stock changes notified by importers.

##### **Wood chipboard**

The figures for wood chipboard (particle board) include all those firms known to be making this product, using in its manufacture wood residues, forest thinnings and synthetic resins.

##### **Plywood**

Includes all plywood, blockboard, laminboard and battenboard.

Deliveries are calculated from imports, as recorded in *Overseas Trade Statistics*, adjusted for stock changes notified by importers.

#### **Pitwood**

All mining timber specially prepared for use underground in coal mines for propping or shoring or as pit sleepers. It is shown in solid cubic metres (3.57 solid cubic metres equivalent to a Gothenburg standard of round wood and 3.12 solid cubic metres equivalent to a Gothenburg standard of sawnwood).

Round pitwood comprises pitprops, props split, round bars and long pitwood.

Production figures are based on National Coal Board consumption of home-grown timber.

#### **Domestic furniture**

Estimated sales of mainly wooden and upholstered domestic furniture by establishments in Great Britain employing 25 or more persons in the manufacture of domestic furniture.

#### **Paper and board, and paper-making materials**

In these definitions 'mills' means paper mills or board mills.

##### **Newsprint**

Consumption is an estimate and is based on a sample enquiry.

Stock figures show the quantity of newsprint held at mills and by publishers of newspapers and periodicals, and are estimates based on a sample enquiry. From September 1973 importers' stocks are also included.

##### **Building board and other paper and board**

Home deliveries are derived by adding imports of other paper and board to home production invoiced out by mills, and deducting exports.

The figures for stocks relate to quantities held by paper-makers only.

##### **Paper-making materials other than woodpulp**

Consumption figures relate to consumption by mills. Stock figures show the quantities held at mills.

##### **Paper equivalent**

The paper equivalent figures show the approximate amount of paper which it is estimated can be produced from the paper-making materials other than woodpulp shown as consumed or in stock. They are: straw 43 per cent, rags, etc., 66.67 per cent, waste paper 85 per cent, esparto 42 per cent, pulpwood other than round, 37.5 per cent. The paper equivalent of one tonne of round pulpwood is estimated at 0.63 tonnes.

##### **Pulpwood**

Pulpwood includes home-grown pulpwood, wood waste, chippings and rejected pitprops.

##### **Woodpulp for paper-making**

This consists of imported woodpulp of the following types: Chemical woodpulp, that is, chemical sulphite (unbleached and bleached), chemical sulphate and soda (unbleached, semi-bleached, partly bleached and bleached) and semi-chemical woodpulp; Mechanical woodpulp (including knotted and screenings).

Both in terms of air dry weight used or held by paper-makers and manufacturers of cellulose wadding. Pulp derived from imported and home produced pulpwood, rejected pitprops and wood waste is excluded.

##### **Rubber**

Natural rubber includes balata and gutta percha. (Figures for latices are given as dry rubber content.) The oil content of Masterbatch is included, but the carbon content is excluded.

Figures of rubber consumption are collected from manufacturers of rubber goods and from larger manufacturers of

other rubber-using industries, e.g. cables.

Stocks of rubber exclude those held by manufacturers outside the rubber industry. Stocks of natural rubber are those held by importers and larger consumers. Stocks of synthetic rubber and reclaimed rubber are those held by United Kingdom producers and larger consumers. In this paragraph, larger consumer means firms mainly engaged in manufacturing rubber goods, which employ 25 or more persons.

### **Carbon black**

Production includes lamp and vegetable black but excludes acetylene and bone black.

### **Brushes**

Up to the 4th quarter 1975 figures relate to firms employing 11 or more persons, and thereafter to those employing 25 or more persons. Other brushes include painting rollers,

artists' brushes, cosmetic and bottle brushes, brushes for machines and other industrial brushes.

### **Floorcoverings**

The figures relate to sales by all firms known to be making these products.

#### **Carpets and rugs**

The term Carpets includes carpeting and carpet type rugs. The figures for All types include those for items not shown separately, namely: non-woven carpets, carpeting and carpet type rugs, including needleloom, and rugs other than carpet type rugs.

#### **Floorcoverings of linoleum and plastics materials**

Textile base relates only to all linoleum and plastics floorcoverings on a textile base. All non-textile based are shown under 'other'.

## **12 Construction**

### **Value and volume of construction work and new orders obtained**

Figures for the construction industry are based on Order XX of the 1968 Standard Industrial Classification.

The value of output represents the value of construction work done during the quarter in Great Britain and derives from returns made by private contractors and public authorities with their own direct labour forces. The output of building operatives employed by private firms outside the construction industry to carry out work on their own establishments is included if the firms have a separate building department. The series (and the accompanying index of the volume of output) include estimates of the output of small firms and self-employed workers not recorded in the regular quarterly output enquiry.

The new orders statistics are collected from private contractors and analysed by the principal types of construction work involved. The series includes speculative work for eventual sale or lease undertaken on the own initiative of the respondent where no formal contract or order is involved.

### **Building materials and components**

The figures relate to the actual production and stocks as given in the returns submitted by producers.

The stocks figures relate to stocks at works, including sold and unsold. Production figures will relate to calendar months or periods of four or five weeks.

#### **Building bricks**

The figures include common, facing and engineering bricks made from shale, sand lime, clay or concrete, but exclude glazed bricks and all types of refractory bricks.

#### **Cement**

Production figures show the actual quantity of Portland cement and Portland blast furnace cement ground.

#### **Sand and gravel**

The figures embrace land-won and marine dredged production of (a) building sand, including sand used in the manufacture of sand lime bricks and for asphaltting, (b) concreting sand, (c) gravel (including hoggin used for all purposes).

Annual statistics for sand and gravel production have been derived from the figures collected in the Annual Inquiry Into Mineral Extraction.

The quarterly inquiry is however conducted on a sample basis and from the beginning of 1980, relates to sales rather than production. Thus, differences between the sum of the four quarterly inquiries, conducted on a sample basis, and the Annual Inquiry Into Mineral Extraction, a census can be attributed to the different methods of collection, the

incompleteness of the sampling frame used in the quarterly inquiry, and, latterly to a change in the basis of data collection.

#### **Plaster**

The figures exclude plaster used in the production of plasterboard.

#### **Gypsum**

The figures refer to quantities mined but exclude anhydrite.

#### **Asbestos cement sheets**

From the 1 January 1980 the inquiry has been conducted on a quarterly basis.

#### **Ready-mixed concrete**

Figures are for production in the United Kingdom and are derived from a quarterly summary provided by the British Ready-Mixed Concrete Association and separate returns made by non-members of the Association.

#### **Plasterboard**

Includes all plasterboard for ceilings, partitions and insulation.

#### **Concrete building blocks**

Information refers to dense aggregate, lightweight aggregate and aerated concrete blocks. From July 1979 onwards the inquiry covering those establishments employing fewer than 25 persons has been conducted on a sample basis and the results are grossed up accordingly.

#### **Concrete roofing tiles**

From 1 January 1980 the inquiry has been conducted on a quarterly basis. Figures relate to area of roof coverage.

#### **Slate**

From 1 January 1980 the inquiry has been conducted on a quarterly basis. The figures cover slate mined or quarried for all purposes including roofing and damp proof courses, architectural and cladding uses. From 1976 the inquiry was extended to include use as powder, granules and fill.

#### **Pitch fibre pipes and conduits**

This series was discontinued from December 1978.

### **Housing**

The tables on housing relate to permanent houses and flats built for local authorities, private owners, housing associations and government departments. Temporary houses and

mobile homes are excluded.

The figures for local authorities include houses provided by the Commission for the New Towns and new town development corporations and, in Scotland, by the Scottish Special Housing Association and in Northern Ireland, by the Northern Ireland Housing Executive (formerly by the Northern Ireland Housing Trust); these figures exclude those for houses provided by local authorities other than under Housing Act powers (e.g. for parks, welfare, water undertakings), and these are included under the heading Other authorities. Also included under the latter heading are houses provided or authorised by government departments for the families of police, prison staff, the armed forces and certain other services, and those provided by housing associations with the exception of the Scottish Special Housing Association.

### **Educational building**

Major building proposals and certain minor works in England and Wales require the approval of the Department of Education and Science. Building work normally starts about three months after approval is given. In the series for value of projects started, deductions are made where approved expenditure is not fully taken up.

In England and Wales the value figures refer to the cost approved on tender, or the final cost, whichever is the figure available. When a revised value figure for a project becomes

known, the change is incorporated in the cumulative total by adjusting the figures for the latest period, the figures for earlier periods (for example, the period in which the project was originally approved) remaining unaltered. The Scottish figures of contracts under construction and completed are based on tender costs, except in the case of those relating to contracts completed from January 1954 to December 1959, both inclusive, where they have been adjusted in respect of any differences between tender and final costs as the latter became known.

The figures include the value of projects for which specific approval is not required, while those for Scotland include provision for fees, furniture and equipment.

Both tables exclude building work at independent schools, universities, and certain other educational institutions such as theological colleges.

The method of calculation of the number of places provided differs in England and Wales, and Scotland. In England and Wales the figures refer to the number of pupils for which school accommodation is designed. In Scotland the figures refer to the sum of the approved capacities of the teaching rooms whether classrooms or practical rooms. For primary schools this is assumed to be the number of pupils for whom the new accommodation is designed; for secondary schools and further education colleges however, this sum normally, because of the need for flexibility for time-tabling, exceeds the number of pupils in many cases by as much as 50 per cent.

## **13 Transport**

### **Road vehicles in Great Britain**

The figures for months up to September 1974 are compiled from information received by the Department of the Environment from all registration and licensing authorities (county, county borough and borough councils in Great Britain which administer the Vehicles (Excise) Act 1971, and previous similar Acts). The figures from October 1974 onwards are obtained from Driver and Vehicle Licensing Centre at Swansea which took over responsibility for new registrations from that date. The statistics are thus a by-product of administration and the classes shown correspond in the main to taxation classes. The figures include all vehicles which pay tax and certain vehicles which are exempt from the payment of tax. Most of the latter carry a form of licence known as a 'nil' licence. The figures exclude vehicles registered by the armed forces or as personal or direct export and trade licences issued to manufacturers and repairers of and dealers in, motor vehicles.

Exempt vehicles fall into two groups:

*Vehicles which are designed and used for particular purposes*  
Some vehicles in this group (such as invalid vehicles, snow ploughs and certain road construction vehicles) are registered when they are first brought into use and, although they pay no tax, they carry a 'nil' licence. Other vehicles of this type (*viz.* fire appliances, ambulances and road rollers) do not carry a licence disc.

*Vehicles which make little or no use of public roads*

Vehicles which make little use of public roads (that is, travel not more than six miles per week while passing between different parts of the owner's land) are registered but carry no licence.

Vehicles which are never used on public roads (that is, on roads repairable at the public expense) are not required to bear a licence and are registered only if the roads they use (e.g. certain industrial estates) are accessible to the public. These vehicles only appear in the statistics of current licences, from 1979.

*Vehicles owned by government authorities*

Vehicles belonging to the armed forces operate under a special registration and licensing system. Such vehicles are not included in either table.

All other vehicles owned by government departments are registered but pay no tax. From 1951, these vehicles have operated under Certificates of Crown Ownership and are shown separately in statistics of current licences, but are combined with exempt vehicles in statistics of new registrations.

### **Method of collecting statistics of licences current**

For the years 1973-1974 the figures are based on a sample of one-tenth or one-twelfth of all vehicles registered by most authorities; a complete census was carried out by those authorities with fewer than 10,000 registered vehicles. A vehicle is included if it had a licence current at any time during the third quarter of the year.

From 1974 the census method underlying the count of stock of licensed vehicles has been changing as vehicle records have gradually been transferred from local taxation offices to the Driver and Vehicle Licensing Centre (DVLC). Consequently, stock from 1974 to 1978 are not comparable. In 1975 and 1976 the figures were derived from the records held by local licensing authorities and from the records held by DVLC. At DVLC, only those vehicles licensed at 30 September were included. No census results are available for 1977. From 1978 the census is based on the count of licensed vehicle stock at 31 December.

### **Road traffic and inland goods transport in Great Britain**

The index of vehicle kilometres shows traffic trends by class of vehicle on the roads in Great Britain. The monthly figures relate to calendar months and therefore include the effects of variations in the number of weekdays and weekends and of the incidence of public holidays. The basis is a regular series of traffic counts at a randomly selected sample of points on the road system. A series of manual counts each month taken from a sample of 229 sites, provides the basis for estimates of individual vehicle classes, including bicycles. Benchmark estimates were obtained from short-period counts at 1,300 sites in 1966 and 1973.



The analysis by vehicle type is based upon roadside observation; thus vehicles are classified in accordance with their general appearance.

The index of tonne-kilometres of road goods transport is estimated from a continuing sample survey of goods vehicles, subject to Operator Licensing, started in 1970, and a periodic survey of goods vehicles not subject to Operator Licensing, last carried out in 1976. Quarterly index numbers for road transport are obtained by dividing each quarter's figure of tonne-kilometres performed by road by the quarterly average in 1973. The quarterly figures relate to 13-week periods and not to three calendar months, so no adjustment for differences in the length of calendar months is necessary. Annual index numbers are obtained in a similar way by dividing the estimated annual road tonne-kilometres by the corresponding figure in 1973.

### Road casualties in Great Britain

These figures are compiled from information received by the Department of Transport and the Scottish Development Department from police forces throughout Great Britain. Only those casualties from road accidents occurring on the public highway, (including footpaths) in which a vehicle was concerned, and which were reported to the police are included.

Casualties are classified according to the degree of injury sustained. The degrees of injury are defined as follows:

*Killed:* Died within 30 days of the accident.

*Serious injury:* An injury for which a person is detained in hospital as an inpatient, either immediately or later; or any of the following injuries whether or not he is detained in hospital: fracture, concussion, internal injury, crushing, severe cuts and lacerations, severe general shock requiring hospital treatment.

*Slight injury:* An injury of a minor character such as a sprain or bruise, or a cut or laceration not judged to be severe. Cases of shock are only included if they appear to need roadside attention.

### Road passenger transport

The quarterly figures for buses and coaches are based on a return from public sector operators of more than 24 vehicles. These account for 90 per cent of passenger journeys and 80 per cent of passenger receipts. The figures include estimates for the smaller public operators and private operators assuming a similar seasonal pattern.

Annual figures are based on a return from all operators. Figures for earlier years have been revised to take into account changes of ownership between the various types of operator.

### Indices of stage bus service fares

Information required for the calculation of the index of stage service fares is obtained through the Traffic Commissioners and is based on a panel of large undertakings which account for over 90 per cent of all stage carriage operations. When an operator wishes to change his fares he applies to the Traffic Commissioners for a variation in his Road Service Licences.

The value of an index at the end of a quarter is derived from multiplying the value of the index at the end of the preceding quarter by a ratio. This ratio is the level of annual receipts accruing to members of the panel from fare rises awarded in the quarter (on the assumption of no resultant change in the level and volume of passengers carried) to the level of annual receipts expected if there had been no fare change (and the level and volume of passengers carried had also remained constant). For those undertakings on the panel who did not experience a fares increase in the quarter, which is usually the case for the majority of undertakings since, in general, bus companies only raise their fares once a

year, the figure of expected annual receipts accruing without a fare rise in that quarter is used in both numerator and denominator of the ratio.

From 1977, the concessionary fare payments to operators from local authorities on behalf of children, old age pensioners, the blind and the disabled, have been excluded from the passenger receipts figures so that the change in the index over a quarter now measures the change in the average fare as paid directly by the passenger.

### Passenger receipts

#### British Rail

Passenger receipts are the receipts from passenger fares of all kinds. Charges for platform tickets, seat reservations, left luggage, etc., which are classed as miscellaneous receipts, are excluded.

#### London Transport

Traffic receipts are derived entirely from passenger traffic.

### Passenger journeys

The figures of passenger journeys show the number of journeys originating on the British Rail and London Transport systems. Passenger journeys commencing on one system and terminating on the other are included in the figures for both British Rail and London Transport.

Children's tickets are counted as whole journeys. Return tickets are counted as two journeys. The numbers of journeys made by season ticket holders on British Rail are estimated using a rate of 540 journeys per annum, except for journeys made on annual season tickets from January 1975 onwards which are estimated using a rate of 480 journeys per annum. The numbers of journeys made with all types of season ticket on London Transport are estimated using a rate of 600 journeys per annum. Government department traffic (for example, naval and military) and other reduced fare traffic are included.

### Freight traffic

#### British Rail

The figures of traffic originating show the tonnes of revenue-earning traffic conveyed by British Rail at freight train rates. Cross-channel traffic invoiced to interior stations is treated as originating at the port of entry. Materials for British Rail conveyed without public charge, whether on revenue-earning or departmental (including ballast) trains, are excluded.

Monthly figures for net tonne-kilometres are derived by interpolating quarterly figures.

Coal and coke include patent fuels, slack, cannel and coal cinders for fuel.

Iron and steel comprises crude and semi-finished steel; finished steel; iron ore, pig iron; scrap iron and steel; limestone, dolomite and lime for iron and steel works; iron castings.

#### Inland waterways

The figures of traffic originating show the total freight tonnage conveyed over the inland waterways controlled by British Waterways Board.

Net tonne-kilometres are calculated by multiplying the tonnes of traffic by the distance conveyed over the Board's waterways.

### Civil aviation

The statistics cover the scheduled services of British Airways and UK private companies.

Scheduled services are defined as those performed according to a published timetable, including those supplementary thereto, and available for use by members of the public. Also included are those scheduled services operated temporarily under charter by another airline on behalf of the main licence holder.

The figures refer only to revenue kilometres and traffic and therefore exclude such items as training, positioning and test flights and non revenue passengers and cargo.

In compiling kilometre statistics, distances have been calculated on the great circle distance between two traffic stops. If a technical stop intervenes the distance is the sum of the two stages caused by the technical stop.

#### **Domestic services**

Services flown entirely within the United Kingdom, Isle of Man and Channel Islands.

#### **International services**

Services flown between the United Kingdom, Isle of Man, Channel Islands and places outside, and services flown between points outside the United Kingdom, Isle of Man and Channel Islands.

#### **Aircraft kilometres**

Aircraft kilometres equal the sum of the products obtained by multiplying the number of flights performed by the stage distance.

#### **Passengers uplifted**

The number of passengers uplifted is obtained by counting each revenue passenger on a particular flight (with one flight number) once only and not repeatedly on each individual stage of that flight. A revenue passenger is defined as one who pays 25% or more of the normal applicable fare.

#### **Seat kilometres used**

A seat kilometre is used when a revenue passenger is carried one kilometre. Calculation of seat kilometres used equals the sum of the products obtained by multiplying the number of revenue passengers carried on each stage flight by the stage distance.

#### **Cargo**

The weight of property carried on an aircraft including, for example, the weight of vehicles, excess baggage, diplomatic bags but excluding mail, passengers' and crews' permitted baggage.

#### **Cargo (or mail) tonne kilometres used**

A metric tonne of cargo carried one kilometre. Cargo tonne kilometres used equal the sum of the products obtained by

multiplying the number of tonnes of cargo on each stage flight by the stage distance. Mail tonne kilometres are calculated in the same way.

#### **Merchant vessels of 500 gross tons and over registered in the United Kingdom**

##### *Passenger vessels*

Any vessel permitted to carry more than 12 passengers.

##### *Cargo liners*

Vessels which carry dry cargo over a definite route on fixed schedules, other than container ships, but including roll-on/roll-off vessels.

##### *Container ships*

Fully cellular container ships.

##### *Tramps*

Dry cargo vessels not used for providing a regular service, including bulk carriers of under 6,000 g.r.t. and general purpose vessels (usually multi-deck).

##### *Bulk carriers*

Dry cargo, ore/oil and ore/bulk/oil carriers of 6,000 g.r.t. and over.

##### *Tankers*

Oil, gas, chemical and other specialised tankers.

##### *Miscellaneous craft*

Government owned vessels, offshore supply vessels, non-cargo and/or passenger carrying sea-going vessels, sailing vessels, tugs, fishing vessels, dredgers, river and other non-sea-going vessels.

##### *Gross tonnage*

Gross tonnage is the total volume of all the enclosed spaces of a vessel. The unit of measurement is a ton of 100 cubic feet.

##### *Deadweight tonnage*

Deadweight tonnage is the total weight in tons of 2,240 lb. that a ship can legally carry, that is the total weight of cargo, bunkers, stores and crew.

## **14 Retailing**

### **Retail sales and stocks**

#### **Sales**

The statistics cover the whole field of retail trade in Great Britain. The main results give the total sales of different types of retailer; that is they are on a 'kind of business' basis and not on a commodity basis. They are based on the results of the retailing inquiry for 1976 and are expressed as index numbers with 1976=100. This rebased series was introduced in an article in *British business* on 29 February 1980 which also outlines the method of computation of the statistics and their deflation and seasonal adjustment. This article supersedes earlier descriptions of the series.

All sizes and types of retailer are represented including those trading by mail order. The statistics are based on voluntary returns from a substantial sample of contributors spread over the different kinds of business and different sizes of retailer which has been selected to be as representative as possible of retailers in Great Britain. The panel comprises about 3,400 small retailers (with turnover less than £1 million in 1976) and about 600 large retailers who account for about 75 per cent of the total sales of all large retailers. Many of the large retailers were recruited with the assistance of trade associations - the Co-operative Union,

the Drapers' Chamber of Trade, the British Multiple Retailers' Association and the Association of Retail Distributors. The results are compiled so as to give due weight, as far as possible, to different sizes of contributor and kinds of business. In this, and in the initial selection of the panel of contributors, the results of the 1976 retailing inquiry are used.

Contributing retailers report their total sales through all their outlets and by mail order. This means that the statistics include an allowance when shops are opened or closed by a contributor but it is not generally possible to make allowances when an existing retailer goes out of business or when a new retailer starts up. The statistics are inclusive of VAT (before the introduction of VAT on 1 April 1973, sales were inclusive of purchase tax), and inclusive of receipts from the sale of meals, from services to customers (for example, repairs) and rentals received for goods (for example, television sets). Hire purchase and other instalment credit sales are valued at the credit price of the goods (that is including deposits and, where credit is provided by the shop, credit charges). Figures of credit sales relate only to the period during which the transactions took place; that is cash received from credit sales in previous periods is not

included. Sales by chemists exclude receipts under the national health service. The statistics, being on a kind of business, and not on a commodity, basis, do not cover sales of goods by establishments not classified to the kinds of businesses in the statistics; for example, they do not cover the sale of cigarettes in public houses or garages or the sale of goods in restaurants and cafes.

The basic estimates of the value of sales each month are constructed by comparison with the preceding month, 'chaining' back to the base year (1976 at present).

The monthly seasonally adjusted series are now being further adjusted so that they agree with the estimates of the growth in turnover shown by the more comprehensive retailing inquiries. These adjustments are being treated as part of the routine of seasonal adjustment and series which are not seasonally adjusted will not have them applied. This was explained in more detail in *British business* on 5

December 1980.

The latest summary statistics are published each month in *British business*; detailed unadjusted statistics appear each month in *Business Monitor* SDM28 *Retail Sales*.

### Stocks

The estimates of retail stocks are derived in broadly the same way as the retail sales indices (see above). They relate to the same coverage of retail trade as the sales statistics except that they include an estimate for retail stocks in Northern Ireland. The reporting sample is confined largely to co-operative societies and other large retailers and accounts for about a half of the stocks held by these retailers and about a quarter of total retail stocks. The statistics take into account results of the annual retail inquiries for 1977 and 1978 and are exclusive of VAT. Starting in 1981 these statistics will only be compiled on a quarterly basis.

## 15 External trade

### Visible trade on an Overseas Trade Statistics basis

The statistics of overseas trade are compiled from the declarations made to HM Customs and Excise by importers and exporters or their agents, and which are subject to verification by Customs Officials. They comprise all merchandise imported into or exported from the United Kingdom, with the exception of the items mentioned below, (Coverage of statistics), whether or not the imports are intended at the time of importation for use in the United Kingdom or for re-export, and whether or not the exports are from Customs bonded warehouses. The statistics of imports, therefore, include British goods re-imported and goods imported for process or for incorporation with other goods and subsequent re-exportation. This system is known as the 'general' system of recording trade statistics. Re-exports are not separately distinguished and are included throughout with exports of United Kingdom produce.

### Definition of the United Kingdom

For the purposes of trade statistics 'United Kingdom' is defined as Great Britain, Northern Ireland, the Isle of Man, the Channel Islands and the Continental Shelf (United Kingdom part). The figures include the trade of the Channel Islands and the Continental Shelf (UK part) with overseas countries other than the United Kingdom, but exclude trade between the different parts of the United Kingdom.

### Commodity classification

Since January 1978 the grouping of commodities in the *Monthly Digest* is based on the Standard International Trade Classification (Revision 2) of the United Nations. The headings of the SITC (Rev. 2) correspond directly with those of the revised Customs Co-operation Council Nomenclature (CCCN).

### Changes in the coverage

Changes in the coverage of the *Overseas Trade Statistics* are made from time to time, but as far as possible all earlier figures in the *Digest* are adjusted to conform to the coverage and definitions in operation in the latest period shown.

In some cases it is not possible to adjust figures for all periods to a comparable basis, and the following discontinuities should be noted. Since 1970 low value imports and exports, other than by parcel post and other than imports subject to excise duty of an individual value less than £200, have been aggregated under SITC(R2) subgroup 931.0 as 'special transactions and commodities not classified according to kind'. This trade, accounting for a very small proportion of total trade, is not analysed either by commodity or country so that figures for individual commodity and country headings are deficient to the extent of these

amounts.

From January 1971 certain imports and exports used solely for servicing Continental Shelf installations have not been classified by commodity but have been aggregated under SITC(R) subgroup 931.01. Since January 1978 they have been similarly aggregated under SITC (Rev. 2), item 931.0 as 'special transactions and commodities not classified according to kind'. Also, with effect from January 1978 figures for trade in floating and submersible drilling platforms for Continental Shelf oil and gas operations, previously under code number 718.43, are included under SITC (R2) 793.82.

### Coverage of the statistics

The following classes of goods are excluded from *Overseas Trade Statistics*:

- (a) sea-going vessels and aircraft sold or purchased whilst abroad, details of which therefore have not been notified to Customs;
- (b) banknotes after issue into circulation, being legal tender in any country; issued stock, share and bond certificates and similar titles of ownership;
- (c) emergency aid for disaster areas; used clothing and household goods exported by charitable organisations;
- (d) goods benefitting from diplomatic and consular or similar immunity; gifts to a foreign head of state or to members of a foreign government or parliament; British government owned stores exported for British government use overseas or returned from such use;
- (e) stores and equipment imported or exported by Commonwealth and foreign government forces in the United Kingdom solely for their own use (including American Post Exchange Stores), and such stores and equipment re-exported;
- (f) stores and equipment exported for use by United Kingdom forces or returned from such use. (Stores shipped abroad for NAAFI, the YMCA and similar organisations are, however, included);
- (g) fish and other natural produce of the sea on first landing in the United Kingdom, after being taken by vessels of British registration;
- (h) stores and fuel as follows:
  - (i) on board ships, aircraft and vehicles and intended for consumption en route,
  - (ii) ships stores, unless ex-warehouse or subject to licence, exported as cargo in transit to specific vessels lying overseas. (These were included in the figures up to the end of 1978.);
- (i) personal and household effects; legacies;
- (j) foreign-owned secondhand aircraft, brought into the United Kingdom for repair and maintenance.



- (k) temporary importations or exportations and subsequent return of the following:
  - (i) goods, including works of art, intended for fairs and exhibitions,
  - (ii) merry-go-rounds and other fairground attractions,
  - (iii) professional effects (e.g. survey, film and radio equipment, tools of trade, theatrical effects, musical instruments and the like),
  - (iv) goods for technical examination and standards testing,
  - (v) commercial samples and advertising films,
  - (vi) means of transport, containers and equipment connected with transport,
  - (vii) packaging; and
- (l) the following goods provided they are not the subject of a commercial transaction:
  - (i) printed advertising material, instructions for use, price lists,
  - (ii) ballast, dunnage, oil sludge and tank cleanings, waste for dumping at sea, and other goods which have become unusable or which cannot be used for industrial purposes.
- (m) imports and exports of monetary gold (ie refined gold bullion which is the subject of London Gold Market or inter-bank dealings.)

### Parcel post

Imports and exports by parcel post are, generally speaking, included in Section 9 under the heading Postal packages not classified according to kind (SITC(R2) Item 911.0). Consequently the figures for the descriptions of particular goods in the tables are deficient to the extent of the volume of this parcel post trade.

The figures of imports and exports by parcel post referred to relate to goods sent through the Post Office as parcel post; as a general rule they do not include packets sent by letter post or by printed paper post.

The value of parcel post trade is estimated by applying average values of parcels to the number of parcels. These average values are derived from occasional sample surveys extrapolated by appropriate unit value indices.

### Period covered by the monthly Overseas Trade Statistics

In general, the figures show the trade as declared by importers and exporters on the completed documents received in the Statistical Office of HM Customs and Excise at Southend during a month. With certain exceptions, traders are allowed a short period of grace before documents have to be presented at the ports.

Registered exporters are allowed fourteen days after the shipment of the goods within which to deliver their documents. Moreover the processing of export documents begins shortly before the end of the calendar month. Thus the export statistics compiled for a month do not correspond with goods shipped in the calendar month.

Importers are usually required to present their documents before they can obtain Customs clearance and remove the goods. Further, the import figures include those recorded in documents lodged at the ports in the month, which reach Southend up to the third working day after the end of the month. The import figures therefore correspond fairly closely to goods actually imported during the calendar month.

### Quantities and values

Both quantities and values are based on the declarations of importers and exporters or their agents and may be verified by Customs officials. A new valuation code, which embodies the rules on customs valuation forming the Agreement on Implementation of Article VII of the General Agreement on Tariffs and Trade came into force on 1 July 1980. Information about the value for Customs

purposes is given in paragraph 17 of Part 3A of the Tariff and Overseas Trade Classification and for exports under paragraph 6 (Box 29) of Part 3B (vi).

### (a) Imports

For goods subject to duty *ad valorem* the statistical value is the same as the value for Customs purposes. This value is arrived at by the use of specified methods of valuation which have to be applied in strict hierarchical order. Thus if a value cannot be determined under the first method, the second is tried and so on. The first method is the *transaction value* of the imported goods broadly the price paid or payable for those goods. The other methods are, in order of precedence, the transaction value of identical goods, the transaction value of similar goods, the deductive method (value derived from the selling price of the goods in the country of importation) and computed value based on the built-up cost of the imported goods. (At the importer's request, the order of application of the last two methods the deductive and computed value methods can be reversed.) There is finally a fallback provision for those exceptional cases where none of the specified methods is practicable.

The 'place' for valuation purposes is the point where the imported goods are introduced into the customs territory of the Community. This means that costs for delivery of the imported goods to that place have to be included in the customs value irrespective of the valuation method appropriate to the importation. For conversion to sterling of an amount expressed in foreign currency the most recent selling rate published at the date of acceptance of the entry should be used.

For all other goods, i.e. goods free or exempted from duty and goods subject to a specific duty, the statistical value is to be determined in relation to the point at which the goods enter the United Kingdom. This means that the value must include freight, insurance, commission and all other costs, charges and expenses incidental to the sale and delivery of the goods to the port or place of importation into the United Kingdom with the exception of any duty or tax chargeable in the United Kingdom. When the goods are re-imported after process or repair abroad the value to be declared must include the cost of the process or repair and the value of the goods when exported.

### (b) Exports

The values of exports are on an f.o.b. (free on board) basis, viz. the cost of the goods to the purchaser abroad, including packing, inland and coastal transport in the United Kingdom, dock dues, loading charges, and all other costs, profits, charges and expenses (for example, insurance and commission) accruing up to the point where the goods are deposited on board the exporting vessel or aircraft or at the land boundary of Northern Ireland.

### Transit trade

Goods in transit through the United Kingdom are not included in the statistics. Goods entered for transshipment may be either dutiable or free of duty, and either for removal from a vessel in one port and conveyance to another port for re-shipment abroad, or for removal under the same conditions from one vessel to another in the same port.

Goods transhipped under bond are to be distinguished from goods which are entered for storage in bonded warehouses and are afterwards exported therefrom, these latter goods being included in the figures of imports and exports under the 'general' system of recording.

### Seasonally adjusted figures of UK trade

An explanation of the methods used to compute the seasonally adjusted figures was given in *Trade and Industry* 17 February 1971.

### Trade by countries and areas

Particulars of imports are given according to the country from which the goods are consigned; this is the country from which the goods were originally despatched to the United Kingdom with or without breaking bulk in the course of transport, but without any commercial transaction in any intermediate country. The country from which goods are consigned is not necessarily the country of shipment, origin or manufacture.

Particulars of exports are given according to the country of destination; this is the country which at the time of exportation is the final country to which the goods are being despatched from the United Kingdom. Exports of newly built sea-going ships are normally classified as despatched to the country of registration.

Goods consigned direct to the United Kingdom from fishing vessels other than those of UK registration are classified as consigned from the country in which the vessel is registered.

### Grouping of countries

The designations of countries and territories again which figures of overseas trade are presented are selected for statistical purposes and do not necessarily correspond to customs areas, administrative areas or political units.

The areas used are defined as follows:

- (i) *European Community*, comprising France, Belgium and Luxembourg, Netherlands, Federal Republic of Germany, Italy, Irish Republic, Denmark and Greece.
- (ii) *Rest of Western Europe*, comprising Iceland, Faroe Islands, Norway, Sweden, Finland, Switzerland, Austria, Portugal, Spain, Andorra, Gibraltar, Vatican City, Malta, Yugoslavia and Turkey.
- (iii) *North America*, comprising Greenland, Canada, United States of America, Puerto Rico and St. Pierre and Miquelon.
- (iv) *Other developed countries*, comprising Australia, New Zealand, South Africa and Japan.
- (v) *Oil exporting countries*, comprising Algeria, Libya, Nigeria, Gabon, Saudi Arabia, Kuwait, Bahrain, Qatar, Abu Dhabi, Sharjah, etc., Oman, Iraq, Iran, Brunei, Indonesia, Dubai, Trinidad and Tobago, Venezuela and Ecuador.
- (vi) *Centrally planned economies*, comprising Soviet Union, German Democratic Republic, Poland, Czechoslovakia, Hungary, Romania, Bulgaria, Albania, Vietnam, Mongolia, China and North Korea.
- (vii) *Other developing countries*, i.e. all countries other than those listed above.

### Import and export volume index numbers

The volume index numbers are designed to show movements in our imports and exports after eliminating variations due to price changes. They are prepared by estimating what the value of the goods imported (or exported) in the current period would have been if their prices had been those of the base period. This estimate is then divided by the value of goods actually imported or exported in the base year; the indices thus give a measure of changes in the value of imports and exports at constant prices. An article in the September 1979 edition of *Economic Trends* explains the methods used in calculating the 1975-based series.

### Import and export unit value index numbers

These index numbers are intended as guides to changes in the prices of imports and exports. They are not called price indices however, because they are calculated using unit values for each of a selection of commodities in the *Overseas Trade Statistics* instead of true price quotations. The unit

values are obtained by dividing the value of trade recorded in the month for each heading by a corresponding quantity (numbers, tonnes, etc.). As far as possible only those headings which cover a sufficiently homogeneous group of commodities for their unit values to move in much the same way as true prices are used in the calculation. The headings are chosen to give as wide and representative a coverage as possible; about 900 unit values are calculated for imports and exports, covering in the 1975-based series about 70 per cent and 60 per cent of the value of imports and exports respectively. The indices are constructed by weighting the growth in unit values by the value of trade in the base year. An article in the September 1979 edition of *Economic Trends* explains the methods used in calculating the 1975-based series.

### Visible trade on a balance of payments basis

The statistics of the value of imports and exports on a balance of payments basis are obtained by making various adjustments to the value of trade recorded in *Overseas Trade Statistics*. These adjustments relate to either the coverage of statistics or the valuation of items which are recorded. *Overseas Trade Statistics* includes, with a few exceptions, all goods entering or leaving the country whether or not their ownership changes and coverage adjustments are necessary to remove items where there is no change of ownership (for example, goods imported or exported for processing or repair) and to bring in items which are not included in *Overseas Trade Statistics* (e.g. new ships built and delivered abroad direct to UK owners). The main valuation adjustment is made to imports, which are valued c.i.f. in *Overseas Trade Statistics*, i.e. their value includes the freight and insurance costs of bringing them to this country; for balance of payments purposes these costs are deducted from the value of imports since freight and insurance payments to foreign companies are included in invisible items in the balance of payments and those to UK companies are regarded as domestic transactions. Other adjustments include for exports the addition of an allowance for the net under-recording of exports when necessary; and for both imports and exports, adjustments to exclude Forces parcels. These adjustments are described in greater detail in an article in *Trade and Industry* of 4 November 1970 and in the annual Pink Books *United Kingdom Balance of Payments*. The Pink Book also gives a more detailed breakdown of the value of the adjustments.

The import and export unit value and volume index numbers for commodity groups are calculated from the data recorded in *Overseas Trade Statistics*. In order to provide index numbers comparable with the statistics of the value of trade on a balance of payments basis index numbers are also constructed for total imports and exports on a balance of payments basis. Valuation adjustments are applied to the unit value indices and coverage adjustments are made to the volume indices.

The terms of trade series is derived by dividing the total export unit value index by the total import unit value index, both being on a balance of payments basis.

### Import penetration and export sales ratios for the products manufacturing industry

The measures of import penetration and export sales ratio comprise the following:

- Ratio 1 Imports/Home demand
- Ratio 2 Imports/Home demand *plus* exports
- Ratio 3 Exports/Manufacturers' sales
- Ratio 4 Exports/Manufacturers' sales *plus* imports

The ratios, based on current price data and available for more than two hundred sectors of manufacturing industry, were introduced in the August 1977 issue of *Economic Trends*. A number of conceptual and measurement problems arise in their construction and effect their interpreta-

tion. Full descriptions of these were given in the *Economic Trends* article. The ratios are better suited to indicating changes in performance over time than to assessing absolute levels. (The figures are of limited value for making comparisons of the performances of different industries or for comparing the performance of UK industry with that of another country.)

To an extent the four ratios complement each other. However, one usually wants to present only one ratio to illustrate either import penetration or export performance and the question arises as to which is more appropriate in particular circumstances. A simple rule is that where the questions posed are 'what proportion of the UK market for a particular product is taken by imports?' or 'what proportion of their output or sales do manufacturers export?', then Ratios 1 and 3 are appropriate. Where, however, the question is directed at the import/export performance of an industry then it is more relevant to take into account both imports and exports into the calculation of each ratio and to use Ratios 2 and 4.

Nevertheless, given these general guidelines, it is important to be aware of the advantages and defects of the different measures. The simpler measures (1 and 3) are in particular subject to distortion in that for several industries there is a significant volume of imports for re-export which, because it is not possible to distinguish them from imports for UK consumption, exaggerate both import penetration and the percentage of manufacturer's sales exported. The inclusion in the trade figures of goods exported and subsequently re-imported has a similarly distorting effect. Another disadvantage of the pair of simple ratios is that they cannot, in theory, be directly related to each other when trying to assess whether import penetration has risen faster than export performance. This is often a consideration in longer term studies since both import penetration and export shares have tended to increase with the growth in world trade.

Ratios 2 and 4 suffer less from the disadvantage of the

inclusion of re-exports and re-imports because trade in the other direction is included in the denominator. Furthermore since they have an identical denominator (home demand plus exports = manufacturers' sales plus imports) absolute differences can be compared directly. Thus ratio 4 less ratio 2, which represents the crude trade gap for the particular sector proportionate to its size, can be tracked for a number of years. This comparison is one which is relevant to assessing an industry's overseas trade performance over time, particularly when information is available only for the United Kingdom.

It is important to note that, unlike the other tables on external trade, these figures are based on the Standard Industrial Classification (1968). Further, they do not relate to the total sales, imports and exports of an industry but to the sales, imports and exports of the goods that are principal products of the industry. Thus the sales of the food and drink industry exclude goods produced by this industry but principally produced elsewhere and include goods produced by other industries but principally produced in the food and drink industry.

For certain products (e.g. tobacco) one or more of the underlying values; manufacturers' sales, imports and exports is not available, or not comparable with the others. In these circumstances the ratios are not meaningful and the products are excluded from the analysis.

The latest ratios for the full detail within manufacturing are shown in *Business Monitor* MQ 12 published quarterly by HMSO. The underlying series for imports and exports classified to the Standard Industrial Classification are published quarterly in *Business Monitor* MQ 10 and sales of the principal products of most manufacturing industries can be derived from figures in the PQ series of *Business Monitors*.

An article 'Manufacturing industry in the seventies: an assessment of import penetration and export performance' in the June 1980 edition of *Economic Trends*, discussed the trends in these figures and presented the annual ratios from 1970 to 1979.

## 16 Overseas finance

### Balance of payments

The items in this table are more fully defined in *United Kingdom Balance of Payments 1980 Edition* (HMSO 1980).

### Current account

#### Exports f.o.b., and imports f.o.b.

The *Overseas Trade Statistics of the United Kingdom* are the basis of the balance of payments figures, but certain adjustments are made in respect of valuation and coverage. The principal adjustment is the deduction of freight and insurance from the *Trade Statistics* figures of imports.

#### Visible balance

Exports f.o.b. less imports f.o.b.

#### Invisibles balance

The net total of all invisible transactions, comprising:

- UK government current expenditure and receipts not appropriate to visible trade or other invisible receipts;
- sea transport and civil aviation;
- travel;
- financial services:

- net service earnings of financial institutions, including insurance, banking (excluding interest earnings), commodity trading, merchanting, brokerage and solicitors;

- other services (including commissions, advertising, royalties, construction work overseas, education, overseas governments' expenditure in the United Kingdom and services associated with exploration for and production of oil and natural gas);
- interest, profits and dividends; and
- private transfers.

### Investment and other capital transactions

#### Official long-term capital

This consists of inter-government loans and other UK official long-term capital (net).

*Inter-government loans* cover drawings and repayments of loans between the UK government and overseas governments.

*Other official long-term capital* includes capital subscriptions to international lending bodies, other than the IMF; net loans and investments overseas by the Commonwealth Development Corporation; repayments (as guarantor) to the IBRD of loans to Rhodesia; and transactions in the shares of the Compagnie Financière de Suez.

#### Overseas investment in UK public sector

This consists of transactions with overseas residents in British government and government guaranteed stocks (excluding those with overseas monetary authorities), British government foreign currency bonds (offered to overseas official holders of sterling), and local authority securities and mortgages, together with public corporations' and local authorities' net issues abroad and their borrowing abroad from banks, etc., other than under the exchange cover scheme (uncovered borrowing in foreign currencies and sterling borrowing from external sources, mainly European institutions).

#### UK and overseas private investment

UK private investment overseas covers direct, portfolio and other investment. Overseas investment in UK private sector covers direct investment, portfolio investment in UK company securities, and other investment.



*Direct investment* comprises investment by UK companies in their overseas branches, subsidiaries and associates, and by overseas companies in their UK affiliates; the figures include the reinvestment of retained profits. Certain transactions of a number of public corporations are included in outward investment. Government departments and oil companies are excluded.

*UK portfolio investment overseas* represents net acquisitions and realisations by UK residents of overseas government, municipal and company securities.

*Overseas investment in UK company securities* represents net acquisitions and realisations by overseas residents of UK company securities by way of portfolio investment, including international issues (by oil companies, only from the third quarter of 1980).

*Other (oil and miscellaneous) investment* includes UK oil companies' investment abroad and overseas oil companies' investment in the United Kingdom on a basis comparable with the estimates of other direct investment except that unrelated trade credit is also included. Also includes international issues by oil companies until the third quarter of 1980. Other overseas investment by UK residents includes investment in real estate, and by the CDFC and net borrowing by overseas companies from unrelated UK companies other than banks. Other overseas investment in the UK private sector includes net borrowing by UK companies direct from banks and unrelated commercial companies overseas and identified investment in real estate. Part of this information ceased to be available following the abolition of exchange controls in October 1979.

#### **Overseas currency borrowing or lending (net) by UK banks**

##### *Borrowing to finance UK investment overseas*

This comprises the counterpart, in deposits taken by UK banks from non-residents, of loans in overseas currencies (net of repayments) by the banks to UK residents to finance UK direct, portfolio and other investment overseas.

##### *Other borrowing or lending (net)*

This covers borrowing which is on-lent in foreign currency to UK residents or switched into sterling by the banks and on-lent to UK residents for domestic purposes; and lending to overseas residents, which represents either the counterpart to foreign currency deposits with banks by UK residents, or sterling assets which have been switched into overseas currencies.

The series excludes commercial bills lodged with UK banks for their customers which are part of trade credit and, for 1975 onwards, excludes acceptances. Also excluded are foreign currency borrowings by HM Government and by UK public bodies under the exchange cover scheme, where these are undertaken by UK banks.

#### **Exchange reserves in sterling**

This item provides a broad measure of the changes in sterling reserves of overseas countries and international organisations (other than the International Monetary Fund) as reported by UK banks, etc. Transactions in British government stocks and banking and money market liabilities, etc., are shown separately.

#### **Other external banking and money market liabilities in sterling**

This item consists of the changes in UK external banking and money market liabilities in sterling to overseas residents, other than central monetary institutions and international organisations.

#### **Import credit**

This item consists of the net change in trade credit received

by UK businesses from overseas businesses other than affiliates and parent companies, less advance and progress payments from the United Kingdom.

#### **Export credit**

The entries consist of the net changes in credit extended by banks in the United Kingdom and trade credit extended by UK businesses to overseas businesses other than affiliates and parent companies, less changes in advance and progress payments (including advances by UK banks). There is also some credit extended by UK merchants on third-country trade.

#### **Other transactions**

Consists of total UK external sterling lending (net) other than export bills; official short-term transactions (net); other commercial short-term transactions (net); IMF administrative and operational expenditure and receipts in sterling, and IMF gold deposits in the United Kingdom.

#### **Remainder of account**

##### **Balancing item**

Represents the net total of errors and omissions in other items.

#### **Allocation of Special Drawing Rights**

The UK share of the allocation by the International Monetary Fund of the reserve asset, Special Drawing Rights.

#### **Official financing**

##### *IMF*

UK drawings (including from January 1976 those under the oil facility) and repurchases, and drawings and repurchases in sterling by other countries which affect the UK's repurchase obligations to the International Monetary Fund. July 1972 has excluded transactions affecting the UK reserve position in the Fund, which are treated as changes in the official reserves.

##### *Other monetary authorities*

Net borrowing from other monetary authorities in the form of foreign currency deposits and assistance with a sterling counterpart, and other special swaps.

##### *Foreign currency borrowing by HM Government*

Net drawings on two Euro-dollar facilities for HM Government to borrow \$2,500 million and \$1,500 million, and a \$350 million bond issue in New York. The transactions are allocated to the debtor (HM Government) rather than the transactor (the banks).

##### *Foreign currency borrowing by public bodies under exchange cover schemes*

Net borrowing by UK public corporations, local authorities and other public bodies under the exchange cover scheme, first introduced in 1969. This includes foreign currency borrowed through UK banks, the issue of foreign currency securities, and other borrowings abroad from banks, etc. This borrowing is included in official financing since it is regarded as primarily motivated by considerations of reserve management, the foreign currency generated being added to the official reserves.

##### *Drawings on/additions to official reserves*

Drawings on/additions to the official holdings of gold, special drawing rights, European Currency Units (from July 1979) and convertible currencies and, from July 1972, changes in the UK reserve position in the IMF. Drawings on additions to the official reserves are valued in sterling at market related rates of exchange.

#### **Official financing liabilities and official reserves**

The figures in the table show the end of period levels of official financing liabilities and official reserves as described

above, valued in sterling at the end of period rates described in the footnotes to the table. Changes in the levels reflect not only the transactions in the balance of payments, but

also the effect of exchange rate changes upon the existing stock of liabilities and reserves.

## 17 Home Finance

### Central government financial transactions

This table is a summary of receipts and payments on the Consolidated Fund and the National Loans Fund and changes in balances on the National Insurance Fund and certain other central government funds and accounts. The net result is the amount the government needs to borrow i.e. the central government borrowing requirement. The material is analysed according to the accounting arrangements. In addition to the normal periods of calendar and financial years and calendar quarters, figures are given for calendar months.

The basis and manner of operation of the Consolidated Fund is governed by the Exchequer and Audit Departments Act 1866 (as amended by the National Loans Act 1968) which provides that gross tax revenue (less repayments) and all other public moneys payable to the Exchequer shall be paid into 'The Account of Her Majesty's Exchequer'. The Consolidated Fund is at any point of time the amount standing to the credit of this Exchequer Account which is held at the Bank of England.

The National Loans Act 1968 provides that all money raised by the creation of debt is payable into the National Loans Fund together with receipts representing repayments of loans made by the State from the Fund and interest on those loans. The majority of government lending is made from the National Loans Fund which is thus the channel through which pass all the government's borrowing transactions and most of its domestic lending transactions. (Loans charged on Votes continue to be met from the Consolidated Fund). Further details can be found in table 3.1 of *Financial Statistics*.

### Public sector borrowing requirement

The public sector borrowing requirement (PSBR) indicates the extent to which the public sector borrows from other sectors of the economy and overseas to finance the balance of expenditure and receipts arising from its various activities. The PSBR can be defined in terms of the receipts and expenditure of the consolidated public sector accounts, but it is usually more helpful to consider it in terms of the borrowing requirements of the sub-sectors of the public sector: central government, local authorities and public corporations.

The table shows separately the contributions by the three sub-sectors together with an analysis showing the sources of the funds borrowed as non-bank private sector, banking sector and overseas sector. The total PSBR is also shown seasonally adjusted constrained to financial year total. Further details can be found in tables 2.5 and 2.6 of *Financial Statistics*.

### Selected financial statistics

This table shows a selected number of key financial statistics. They comprise national savings; trustee savings banks deposits; building society deposits and advances seasonally adjusted and unadjusted; unit trust units; total capital issues (net); net inflow into life assurance and superannuation funds; banking sector deposits and lending to the private sector in sterling and other currencies; hire purchase and other credit business, unadjusted and seasonally adjusted; and consumer credit. Further details are to be found in tables 3.13, 3.14, 6.2, 8.1, 8.2, 8.5, 8.6, 8.10, 8.13, 8.14, 10.3 and 12.1 of *Financial Statistics*.

### Money stock

There is no single, universally accepted, definition of money. Any definition must, therefore, to some extent be arbitrary, and different monetary aggregates will be useful for different purposes.

The current definitions of money stock ( $M_1$ , sterling  $M_2$  and  $M_3$ ) are as follows:

The first definition ( $M_1$ ) is a narrow one consisting of notes and coin in circulation with the public plus sterling sight deposits held by the private sector only. The second definition (sterling  $M_2$ ) comprises notes and coin in circulation with the public together with all deposits (including certificates of deposit) denominated in sterling and held by UK residents in both the public and private sectors. The third definition ( $M_3$ ) comprises sterling  $M_2$  plus all deposits held by UK residents in other currencies. In all three definitions 60 per cent of the net debit value of sterling transit items is deducted, and deposits are confined to deposits with institutions included in the UK banking sector (which comprises all banks observing the common 12½ per cent reserve ratio, the Banking Department of the Bank of England and the discount market institutions).

For further details see the August 1970 and March 1972 issues of *Economic Trends* and the *Bank of England Quarterly Bulletin* September 1970, March 1972, December 1972, June 1975, March 1977 and December 1978. A fuller analysis of the figures is shown in *Financial Statistics* and the *Bank of England Quarterly Bulletin*.

Statistics including some liquid assets outside the definitions of money used here were introduced in the *Bank of England Quarterly Bulletin* September 1979 and are shown in a table in the statistical annex of subsequent issues of the Bulletin.

Seasonally adjusted estimates of quarterly changes in the money stock are derived from a process of adjustment of the whole of the financial transactions matrix and therefore take account of the additional constraints imposed by that process. In addition, adjustments have been made to allow for the effect of varying days of the week on which a quarter begins and ends. These will not usually cancel out over the year since successive years end on different days of the week. (For a further explanation see page 30 of *United Kingdom Flow of Funds Accounts: 1963-1976*, published by the Bank of England in May 1978).

Because the monthly and quarterly series have been seasonally adjusted separately, it is not possible to draw conclusions about the underlying change in the money stock in the short period between a mid-monthly reporting date and the end of the quarter. (For further details of the method of adjustment of the monthly figures see the *Bank of England Quarterly Bulletin*, June 1978.)

### Domestic credit expansion

In broad terms, the amount of domestic credit expansion in a given period is equivalent to the increase in the domestic money stock after adjustment for any change in money balances caused directly by an external surplus or deficit. It is a measure of domestically generated credit in a form which leads, in an accounting sense, directly to monetary expansion.

DCE can be defined as:

- (i) the public sector borrowing requirement, minus
- (ii) purchases of public sector debt by the non-bank private sector, plus



(iii) the increase in bank lending in sterling to the private sector and overseas sector.

DCE can also be seen as bank and overseas lending to the public sector *plus* bank lending in sterling to the private and overseas sectors *plus* changes in the public's holdings of notes and coin.

The relationship between the public sector borrowing requirement, domestic credit expansion and sterling M3 was further discussed in the March 1977 *Bank of England Quarterly Bulletin*. The effects of external and foreign currency flows on the money supply were described in the December 1978 *Bulletin*.

## 18 Wages and prices

### Average weekly earnings and hours worked in manufacturing and certain other industries

The industries covered are those for which separate figures are given, together with mining and quarrying (except coal mining), leather, leather goods and fur, certain miscellaneous services and public administration. The figures are based on returns from employers showing, for a particular week in October, the number of manual workers actually at work, for at least part of the reference week, their aggregate earnings and the total number of man-hours worked. The returns received cover over five million workers, but in calculating the general averages and those for each of the groups of industries shown separately the averages for the individual industries have been 'weighted' on the basis of the estimated total number of manual workers employed in each industry.

Percentage changes in average earnings represent the combined effect of a number of factors, including (a) increases in rates of wages; (b) changes in the number of hours actually worked and in the proportion of hours paid for at overtime, week-end and night-shift, etc., rates; (c) extensions of systems of payment by results in some industries, and increased output by the workers affected and (d) changes in the relative numbers of workers employed in different industries.

Details of average weekly earnings of men and women by standard regions, are given normally in the February issues of the *Department of Employment Gazette*. Information on earnings in certain industries not covered by these surveys, e.g. coal mining, hospital employees in the national health services, and agricultural workers, is given from time to time in the *Employment Gazette*, previously *The Department of Employment Gazette*, *The Employment and Productivity Gazette* and the *Ministry of Labour Gazette*.

### Index of average earnings of all employees (monthly enquiry)

The present (new) series of indices covering the whole economy was introduced in January 1976. Indices are given for each industry group (Orders of the Standard Industrial Classification), all manufacturing industries, index of production industries and the whole economy. The last three indices are given both before and after seasonal adjustment.

An explanatory article was published in the April 1976 issue of the *Department of Employment Gazette*.

### Basic rates of wages and normal hours of work

#### Index of basic weekly rates of wages

The index of weekly rates of wages measures the average movement from month to month in the level of full-time basic weekly rates of wages of manual workers (including shop assistants but excluding clerical, technical and administrative workers) in the principal industries and services in the United Kingdom compared with the level at 31 July 1972 taken as 100. The index is based on a selection of the recognised minimum rates of wages or minimum

### Selected interest rates, exchange rates and security prices

This table shows a selection of interest rates, exchange rates and security prices and comprises the following series: minimum lending rate; average discount rate on Treasury bills; 3 month inter-bank rate; British government securities (20 years) yield; sterling effective exchange rate; the US dollars spot exchange rate and the ordinary share price index. Figures are mainly for the last Friday in the month. Further details of the series may be found in *Financial Statistics*.

entitlements which are the outcome of centrally determined arrangements, usually voluntary collective agreements between organisations of employers and work-people, or wages orders, in some 80 industries and services. General supplements to basic rates are included in minimum entitlements. Where there is an appreciable amount of piecework, the movements in piece rates of wages are taken into account as well as movements in time rates. From this material estimates are made of the percentage movement in the wage rates in each industry. The percentage increases in the various industries are then combined in accordance with the relative importance of the industries, as measured by their total wages bills in 1970.

Indices are computed for all industries and services taken together and for a sub-group comprising manufacturing industries only and for 17 industry groups. If comparisons are made between one group and another it should be remembered that the indices for a particular group may have been affected by the incidence of changes in rates of wages in the months immediately prior to the base date (31 July 1972) and that having regard to the considerable variation in the provisions of collective agreements and statutory wages orders there is no common pattern for the calculations of the indices for individual industries.

The index does not reflect changes in earnings due to changes in such factors as the numbers of workpeople employed in different industries, in the relative proportions of workers in different age groups, or engaged in different occupations and wage grades, or paid at time or piece rates. Neither does it reflect changes in the amount of overtime, short-time or absenteeism or changes in the earnings of piece-workers and other payment-by-results workers due to variations in output or the introduction of new machinery, etc.

The representative industries and services for which changes in rates of wages are taken into account in the index and fuller details of the method of calculation were described on pages 50 and 51 of the issue of the *Ministry of Labour Gazette* for February 1957, pages 796 and 797 of the *Department of Employment Gazette* for September 1972 and page 40 of the *Department of Employment Gazette* for January 1977.

### Index of basic normal weekly hours

The index of normal weekly hours measures, for the same representative industries and services, the average movement from month to month in the level of normal weekly hours of work compared with the level at 31 July 1972 taken as 100. The normal weekly hours used in the calculation of the index are those in respect of which all rates used in the calculation of the index of weekly rates of wages are payable and hours for the separate industries are then combined in accordance with their relative importance, as measured by the numbers employed at the base date.

The index does not reflect changes in *actual* hours

worked, which are affected by changes in the amount of overtime, short-time and absences for other reasons.

The method of calculation was described in more detail on pages 330 and 331 of the issue of the *Ministry of Labour Gazette* for September 1957 and pages 796 and 797 of the *Department of Employment Gazette* for September 1972.

#### Index of basic hourly rates of wages

The index of basic weekly rates of wages does not show any movement when normal weekly hours of work are altered without any corresponding change in weekly rates of wages. The series for basic hourly rates of wages is obtained by dividing the monthly figures for the index of basic weekly rates of wages by the corresponding figures for the index of normal weekly hours.

#### Weighting structures

The following table gives details of the weights allocated to the various industry groups for the index of basic weekly rates of wages and the index of normal weekly hours.

| Standard Industrial Classification (1968) |   | Weights*                   |                              |
|---|---|----------------------------|------------------------------|
| Order                                     | Industry group  | Index of weekly wage rates | Index of normal weekly hours |
| I   | Agriculture, forestry, fishing ...  | 210                        | 247                          |
| II  | Mining and quarrying .....  | 305                        | 298                          |
| III                                       | Food, drink and tobacco .....   | 436                        | 445                          |
|   |   | (454)                      | (463)                        |
| IV  | Coal and petroleum products and   |                            |                              |
| and V                                     | Chemicals and allied industries   | 283                        | 244                          |
|   |   | (294)                      | (254)                        |
| VI  | Metal manufacture; Mechanical,  |                            |                              |
| to XII                                    | instrument and electrical engineering; Shipbuilding and marine engineering; Vehicles; Metal goods not elsewhere specified . | 2,840                      | 2,471                        |
|   |   | (2,953)                    | (2,571)                      |
| XIII                                      | Textiles .....  | 352                        | 441                          |
|   |   | (366)                      | (459)                        |
| XIV                                       | Leather, leather goods and fur .  | 28                         | 33                           |
|   |   | (29)                       | (34)                         |
| XV  | Clothing and footwear .....   | 209                        | 352                          |
|   |   | (217)                      | (366)                        |
| XVI                                       | Bricks, pottery, glass, cement, etc. ....   | 227                        | 204                          |
|   |   | (236)                      | (212)                        |
| XVII                                      | Timber, furniture, etc. ....  | 179                        | 186                          |
|   |   | (186)                      | (193)                        |
| XVIII                                     | Paper, printing and publishing .  | 387                        | 340                          |
|   |   | (403)                      | (354)                        |
| XIX                                       | Other manufacturing industries  | 197*                       | 190*                         |
| XX  | Construction .....  | 970                        | 970                          |
| XXI                                       | Gas, electricity and water .....  | 209                        | 191                          |
| XXII                                      | Transport and communication ..  | 1,034                      | 869                          |
| XXIII                                     | Distributive trades .....   | 802                        | 1,023                        |
| XXV                                       | Professional and scientific services and Public administration  | 756                        | 783                          |
| XXVII                                     | and defence .....   |                            |                              |
| XXVI                                      | Miscellaneous services .....  | 576                        | 713                          |
| Total                                     | All industries and services .....   | 10,000                     | 10,000                       |
| III to XIX                                | Manufacturing industries only ..  | 5,138                      | 4,906                        |

\*The index series for the 'Other manufacturing industries' group had to be discontinued from July 1978. In consequence the weights within the rest of the manufacturing sector were changed to those shown in brackets when compiling the indices for all manufacturing industries and all industries and services from July 1978 onwards.

#### General index of retail prices

The General index of retail prices measures the percentage changes month by month in the average level of prices of the commodities and services purchased by the great majority

of households in the United Kingdom, including practically all wage earners and most small and medium salary earners. The weights used from February 1956 to January 1962 for combining the indices for the various groups of items were based on information provided by a large-scale Household Expenditure Enquiry made in 1953-54 adjusted to correspond with the levels of prices ruling in January 1956. From February 1962 to January 1963 the weights used were derived from the continuing Family Expenditure Surveys for the three years July 1958 to June 1961, adjusted to correspond with the levels of prices ruling in January 1962. From 1963 to 1974 weights were revised in February each year on the basis of information derived from the Family Expenditure Surveys for the three years ended in the previous June, adjusted to correspond with the levels of prices ruling in January of the current year. From February 1975 onwards, the weights have been based on information from the Family Expenditure Survey for one year only, that is the year ended in the previous June.

From 1968 onwards the index has been divided into eleven main groups for which the weights for recent years are shown in the table in the *Digest*. Prior to 1968 there were 10 main groups for which the weights for 1962 and those which would have been used in 1968 if the eleventh group had not been introduced are given on page 35, together with the weights which were actually used in 1968.

The index is calculated monthly in respect of a Tuesday near the middle of each month.

Expenditure covered by the index does not include income tax payments, national insurance contributions, life insurance premiums and payments to pension funds, premiums for household insurance (other than insurance of the building), subscriptions to trade unions, friendly societies, hospital funds, church collections, etc., cash gifts, pools and other betting payments, doctors', dentists', etc., fees, and capital sums or mortgage payments for house purchase or major structural alterations.

For expenditure coming within the scope of the index, a representative list of items was selected and the prices of these items are collected at regular intervals. Quotations are obtained from retail shops typical of those from which the majority of households commonly make their purchases in a large number of urban and rural centres throughout the United Kingdom. The prices used are the prices actually charged. So far as possible they relate to goods of unchanged quality at successive dates; when the quality changes, an appropriate adjustment is made to the price index.

An account of the method used for computing the index was given in *Method of Construction and Calculation of the Index of Retail Prices* (No. 6 in the series *Studies in Official Statistics*) published for the Department of Employment by Her Majesty's Stationery Office which is now out of print. An article in the October 1975 issue of the *Department of Employment Gazette* gave an explanation of the composition and structure of the index intended for users who are not specialists in statistics. A few changes are made from time to time in the list of items priced and details of such changes made between the date of publication of the booklet and July 1972 were given in *Hansard*, 12 July 1972, written answers, columns 371-2. Reference may also be made to reports of the Cost of Living, Advisory Committee (Cmd. 9710, Cmd. 1657, Cmd. 3677 and Cmd. 5905), to *Report of an Enquiry into Household Expenditure in 1953-54 and Reports on the Family Expenditure Surveys for 1957-59, 1960 and 1961, and annually from 1962 to 1976*, published by Her Majesty's Stationery Office.

#### Family Expenditure Survey

The notes below relate to the tables in the *Annual Abstract of Statistics* and *Regional Trends* formerly *Regional Statistics*. The survey covers all types of private households in the United Kingdom. It is a continuing enquiry in which a sample of nearly 11,000 addresses is selected annually. An

|   | February<br>1962<br>to<br>January<br>1963 | February<br>1968<br>to<br>January<br>1969<br>Notional | February<br>1968<br>to<br>January<br>1969<br>Actual |
|---|---|---|---|
| I Food .....  | 319                                       | 289   | 263   |
| II Alcoholic drink .....                            | 64  | 65  | 63  |
| III Tobacco .....                                   | 79  | 68  | 66  |
| IV Housing .....                                    | 102                                       | 123   | 121   |
| V Fuel and light .....                              | 62  | 64  | 62  |
| VI Durable household goods .....                    | 64  | 60  | 59  |
| VII Clothing and footwear .....                     | 98  | 91  | 89  |
| VIII Transport and vehicles .....                   | 92  | 122   | 120   |
| IX Miscellaneous goods .....                        | 64  | 61  | 60  |
| X Services .....                                    | 56  | 57  | 56  |
| XI Meals bought and consumed outside the home ..... | —   | —   | 41  |
|   | 1,000                                     | 1,000   | 1,000   |

effective sample of some 10,400 households is obtained, of which nearly 70 per cent co-operate. Results of the survey will be found in annual *Family Expenditure Survey Reports* (HMSO), together with a full list of definitions and items on which information is collected.

The annual report includes a commentary discussing the main results, together with a brief account of the sampling and field work procedure. Further information is provided by the technical handbook, *Family Expenditure Survey: Handbook on the Sample, Fieldwork and Coding Procedures* (HMSO), which is currently being revised.

Changes made in definitions from year to year may affect annual comparisons. The most recent substantial variations, in the 1973 and 1976 surveys, were described in the reports for those years. A summary of the main definitions in current use is given in the following paragraphs.

#### Household

The FES is strictly a household enquiry. The household is defined as including all those who live at the same address and who share common catering facilities. The members of a household thus defined are not necessarily related by blood or marriage. Resident domestic servants are included. As the survey covers only private households, people living in hostels, hotels, boarding houses or institutions are excluded.

#### Household income

Household income is the aggregate of the gross incomes of the individual members of the household before deduction of income tax, national insurance contributions and any other deductions at source. Income as thus defined excludes money received by one member from another member of the household, proceeds from the sale of cars, furniture or other capital assets, and receipts from legacies, maturing insurance policies and windfalls. With the exceptions of luncheon vouchers and an imputed amount for owner-occupied and rent-free accommodation, income in kind is also excluded.

#### Expenditure

Expenditure is taken as representing current expenditure on goods and services. It excludes savings or investments (e.g. purchase of national savings certificates or shares; life assurance premiums; contributions to pension funds). Income tax payments and national insurance contributions, and mortgage and other payments for purchase of or major additions to dwellings are also excluded. Special procedures are applied to purchases under hire purchase and other credit arrangements.

#### Housing expenditure

Housing expenditure of households living in unfurnished or furnished rented dwellings consists of the payments by such households for rent, rates, water and any insurance of the structure, less receipts (if any) from sub-letting. For households living in rent-free accommodation housing expenditure is estimated in the same way as for rented dwellings except that a notional amount of rent based on the rateable value of the accommodation is included. Expenditure of households living in their own dwellings consists of the payments by these households for rates, water, ground rent and insurance of the structure together with the weekly equivalent of the rateable value of the dwelling less receipts (if any) from letting.

#### Persons working

These are persons aged 16 or more in the following categories:

Employees at work – those gainfully employed or absent on holiday only.

Employees temporarily away from work – those with a job to go to but absent from it for a reason other than holiday.

Employees out of a job – those with no job for up to five years through sickness or other reason, but who indicate that they intend to seek work.

Self employed.

#### Index numbers of wholesale prices

The index numbers are calculated from the price movements of about 11,000 closely defined materials and products representative of goods purchased and manufactured by UK industry. The index for an individual commodity expresses the current price as a percentage of its annual average price in 1975, the reference year of the series.

Commodity price index numbers are combined into index numbers for groups of commodities and for materials purchased by and output of broad sectors of industry; industries are defined according to the 1968 Standard Industrial Classification. In building up the index numbers the weighting patterns used for both purchases and sales are those of 1974. Thus the index numbers express the cost of a 1974 basket of goods as a percentage of what the same basket cost in 1975. The 1974 weighting patterns have been adopted because the latest source of detailed information on purchases is the 1974 purchases inquiry; the selection of 1975 rather than 1974 as the reference year is in accordance with national accounts practice and international recommendations.

The weights used have been derived from the quarterly



sales inquiries and the 1974 purchases inquiry, and supplemented by the trade accounts, information supplied by trade associations and various other sources. The value of goods for which no price series are available is imputed to price series which may be expected to move similarly.

The value of sales or purchases used for weighting are net, i.e. transactions between undertakings within the same sector are excluded. For example steel is included in the index for all manufactured products only to the extent that it is sold outside manufacturing such as to the construction industries; steel sold within the manufacturing sector is excluded. However, sales of capital goods are all treated as sales outside manufacturing industry, in accordance with national income accounting practice, which treats capital formation as a separate sector.

Prices obtained for goods produced in the United Kingdom may be on an ex-works or delivered basis, according to the practice in the trade concerned. Where a producer supplies ex-works and also delivers, generally only the more important basis is reported on. Prices of imported goods are measured as closely as practical to a delivered basis. The prices collected are those that are quoted for current orders placed, which are not necessarily the same as those at which current deliveries are being received. This means, for example, that price changes in imported materials are generally reflected in the index numbers of materials purchased in advance of the corresponding changes in the unit values of imports entering the country.

The series of wholesale price index numbers with 1975 as 100 was introduced in *Trade and Industry* of 22 September 1978. Brief notes on Wholesale Price Indices were given in *Trade and Industry* of the 22 April 1979. A more comprehensive description of the compilation of the Wholesale Price Indices is available in a new booklet *Studies in Official Statistics No. 32, Wholesale Price Index: Principles and procedure* produced by the Department of Industry and recently published by HMSO.

#### Construction output index

The index relates to quarterly changes in the price of new building and civil engineering work done in Great Britain, excluding repairs and maintenance. It is a base weighted combination of the separate prices indices for contractor's output in the five new work sectors. A description of the methodology of the indices was given in *Economic Trends* No. 297, July 1978.

#### Index numbers of the average price of new dwellings for private owners

From 1975, the index has been compiled from information

provided by a panel of building societies, including most of the larger societies, covering about 90 per cent of the total assets of the movement in the United Kingdom. Each society completes a return, every month, showing the number and total purchase price of dwellings mortgaged. Separate figures are provided for new and other dwellings; and for mortgages at approval and completion stages. The approval stage figures provide the more up-to-date indicator of price trends whereas the series based on completions gives more accurate figures for dwellings actually purchased because a small, but significant number of mortgages approved do not result in completed transactions. The types, sizes, location and nature of the title of dwellings may vary from quarter to quarter. The index gives an indication of the changes in the price of new dwellings but not changes in the cost of building.

Figures for periods before 1975 are based on earlier returns and have been adjusted to make them comparable with the new return.

#### Index of purchase prices of the means of agricultural production

##### Index of producer prices of agricultural products

The monthly and annual index numbers of agricultural prices in the United Kingdom cover all the main agricultural products and also the main groups of materials currently consumed by agriculture. The new indices, based on the calendar year 1975, are designed to provide short-term and medium-term indications of movement in these prices. Details of the methodology giving particulars of weights and of items included, appeared in *Economic Trends* No 312, October 1979. All series are base weighted Laspeyres type, using value weights derived from the Economic Accounts for Agriculture 1975 prepared for the Statistical Office of the European Community. Base prices are weighted averages of monthly prices for the calendar year 1975. Prices are measured exclusive of VAT. For practical reasons, it has generally been necessary to measure the prices received by producers (outputs) at the first marketing stage and prices of materials (inputs) ex-supplier. These indices replace earlier series (now discontinued) based on 1968/69-1971/72 and the interim series based on 1970 which appeared in the *Monthly Digest of Statistics* during 1979.

The construction of the indices enables them to be combined with similar indices for other member countries of the European Economic Community to provide an overall indication of price trends within the Nine, which appears in the Community's Eurostat series of publications.

## 19 Tax and price index

The tax and price index (TPI) was introduced in August 1979 as a measure of the combined effects of changes in direct taxes and retail prices. The TPI measures the change in gross taxable income which would maintain after-tax income in real terms. It is thus supplementary to the retail prices index (RPI), which measures changes in the purchasing power of after-tax income. It does not take account of how real incomes actually change, for which it is necessary to look at the Central Statistical Office's real personal disposable income quarterly series, or at Inland Revenue calculations of families' real net income at various multiples of average earnings.

#### Coverage

The TPI excludes non-taxpayers from its coverage. (The RPI and its associated pensioner household indices already give appropriate measures of the changes needed to maintain the purchasing power of income where no tax is paid.)

Those with higher incomes (over £12,000 a year at January 1980) are also excluded from the coverage of the TPI. This is because changes in income tax payments for high income tax units are not necessarily representative of those for the majority of taxpayers, and also because broadly the same percentage (the top 4 per cent) of households are excluded from the RPI, since their expenditure patterns are different from those of most households. In recent years this has the effect of excluding higher rate taxpayers from the TPI.

#### The Survey of Personal Incomes

The TPI is calculated by adjusting the RPI using data collected in the sample of tax records in the Inland Revenue's Survey of Personal Incomes (SPI). This survey consists of a stratified sample of all tax units about whom information is available to the local offices of the Inland Revenue (tax units are either married couples or single persons). Therefore the TPI is based on data for about



80,000 tax units. The gross income used in the calculation of the index is the taxable income of these tax units, ie their pay, self-employment income, pensions and investment income. Tax-free benefits, such as child benefits, are excluded from the TPI, and for consistency, so are the child tax allowances and taxed family allowances of earlier years.

The SPI results are normally available in the summer a year after the end of the financial year to which they refer. This means, for example, that the calculation of the TPI in 1980 was based on the 1977/78 Survey of Personal Incomes. Therefore the Inland Revenue applies a detailed system for projecting the gross incomes of persons in the sample up to January of each year. Different projection factors are applied to each element of income (wages and salaries, etc.) of each tax unit in the sample, excluding those on higher incomes. The gross income and tax liability appropriate to the estimated level of income at the turn of the calendar year for each tax unit forms the basis of the TPI. Throughout the year the TPI estimates the changes needed to maintain the January position, and then links on to the TPI calculated for January on the basis of the previous year.

### Budgets

Changes in tax rates and allowances are assumed to operate from the beginning of the financial year in question, unless their announcement was not connected with the normal March or April Budget. Where changes in taxes are deliberately made some way into the financial year, it seems appropriate that this timing should be reflected in the index. Therefore the tax changes announced in the June 1979 Budget were included in the TPI from July 1979, with the tax reliefs for the earlier months April to June being treated as capital repayments and so not influencing the level of the

index. So the TPI for April to June 1979 is higher than if the subsequently announced tax reliefs had been included.

Between Budgets the TPI rises faster than the RPI because the extra gross income needed to offset the rise in prices is taxed at full marginal rates. At the time of a Budget the TPI rises less than the RPI if the tax allowances are increased. But looking at the change over twelve months usually takes out this fiscal drag effect.

### Interpretation of the TPI

The effect of the direct tax cuts and increases in indirect tax of the June 1979 Budget first appeared in the TPI for July 1979. This affects the interpretation of the twelve-month increases in the TPI up to April, May and June 1979, when the increases were larger than would have been the case with a March or April Budget. The twelve-month increase in the TPI up to July 1979 was lower than the equivalent increase in the RPI, because the direct tax cuts offset the effect of the increases in indirect tax.

The March 1980 Budget increased tax allowances but abolished the 25 per cent tax band as from April 1980. At the same time, National Insurance contributions were increased. The twelve-month increase in the TPI up to April, May and June 1980 therefore included the effects of tax changes in both the June 1979 and March 1980 Budgets. The effect of the abolition of the 25 per cent tax band and the increases in National Insurance contributions was first seen clearly in the twelve-month increase up to July 1980, which was higher than the equivalent increase in the RPI.

For further technical details see "The tax and price index - sources and methods" in the August 1979 edition of *Economic Trends*.

## 20 Entertainment

### Broadcast receiving licences current

These figures are compiled by the Post Office and represent the total number of annual licences in force at the end of the period. They include about 43,000 licences issued at a reduced fee to the blind.

## 21 Weather

### Air temperature

Between January 1963 and December 1973, averages of air temperature for 1931-60 were used as standards for comparison. These were replaced in January 1974 by the averages for 1941-70, the average at each station having first been reduced to sea level by adding 0.6° Centigrade for 100m above sea level.

The monthly and annual values of mean daily air temperature at sea level for individual years are estimates obtained by calculating the means of the differences from the long-period averages at 46 stations in England and Wales, 21 in Scotland and 5 in Northern Ireland and adding these mean differences algebraically to the long-period averages for the territories concerned.

### Rainfall

Up to December 1977, averages of areal rainfall for 1916-50 were used. These were replaced in January 1978 by the averages for 1941-70.

The values for individual years are estimates obtained by calculating the means of the percentages of the averages for some 208 well distributed stations in England, Wales, Scotland and Northern Ireland, and applying these mean percentage values to the averages in millimetres for the respective territories. The procedure is carried out each

### Cinema statistics

The figures are based on four-weekly returns submitted by cinemas to HM Customs and Excise for British Film Fund Levy purposes. These cinemas account for about 80-90 per cent of total box office takings and an estimate for the remainder is based on the results of the annual exhibitors' inquiry conducted by the Department of Trade.

month, and the monthly totals summed to give values for the year.

### Sunshine

Between January 1963 and December 1973, averages of bright sunshine for 1931-60 were used as standards for comparison. These were replaced in January 1974 by the averages for 1941-70.

The mean daily amounts of sunshine for individual years are estimates obtained by calculating the means of the percentages of the average for 43 stations in England and Wales, 19 in Scotland and 5 in Northern Ireland, and applying these mean percentage values to the long-period averages for the respective territories.

Further details on weather statistics and particulars of longer series of values may be obtained from the Director-General, Meteorological Office, Met.O.3, London Road, Bracknell, Berkshire RG12 2SZ.

### Conversion factors

#### Temperature

To convert degrees centigrade into degrees fahrenheit:  
multiply by 9, divide by 5, and add 32.

#### Rainfall

1 millimetre=0.0394 inch.

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## Appendix

### Standard regions for statistical purposes

The boundaries of the Economic Planning Regions in England were adjusted on 1 April 1974 to take account of local government reorganisation under the Local Government Act, 1972. It has been decided that the standard regions for statistical purposes will coincide with the revised Economic Planning Regions.

#### Standard regions at 31 March 1974 <sup>(1)</sup>

##### North

Cumberland, Durham, Northumberland, Westmorland, and the North Riding of Yorkshire.

##### Yorkshire and Humberside

The East and West Ridings of Yorkshire (including City of York) and Lincolnshire (Parts of Lindsey excluding Lincoln C.B.).

##### East Midlands

Derbyshire (except the High Peak District, which is included in the North West Region), Leicestershire, Lincolnshire (Part of Holland, Parts of Kesteven and Lincoln C.B.), Northamptonshire, Nottinghamshire and Rutland.

##### East Anglia

Cambridgeshire and Isle of Ely, Huntingdon and Peterborough, Norfolk and Suffolk.

##### South East

Bedfordshire, Hertfordshire, Essex, Berkshire, Buckinghamshire, Oxfordshire, London (Greater London Council area), Kent, Surrey, Sussex, Hampshire, Isle of Wight and the Borough of Poole. <sup>(2)</sup>

##### South West

Cornwall (including the Isles of Scilly), Devon, Dorset (excluding the Borough of Poole)<sup>(2)</sup>, Gloucestershire, Somerset and Wiltshire.

##### West Midlands

Herefordshire, Shropshire, Staffordshire, Warwickshire and Worcestershire.

##### North West

Cheshire, Lancashire and the High Peak District of Derbyshire (the Boroughs of Buxton and Glossop, the urban districts of New Mills and Whaley Bridge and the rural district of Chapel en le Frith).

##### Wales

The whole of Wales.

##### Scotland

The whole of Scotland.

##### Northern Ireland

Antrim, Down, Armagh, Fermanagh, Tyrone, Londonderry, Belfast C.B., Londonderry C.B.

The lists below give definitions of the standard regions for statistical purposes on both the boundaries of 31 March and 1 April 1974. *Statistical News No. 27, November 1974 (HMSO)* (40p net) contains an article and a map relating to these boundary changes.

#### Standard regions at 1 April 1974 <sup>(1) (3)</sup>

##### North

Tyne and Wear\*, Cleveland, Cumbria, Durham, Northumberland.

##### Yorkshire and Humberside

South Yorkshire\*, West Yorkshire\*, Humberside, North Yorkshire.

##### East Midlands

Derbyshire, Leicestershire, Lincolnshire, Northamptonshire, Nottinghamshire.

##### East Anglia

Cambridgeshire, Norfolk, Suffolk.

##### South East

Greater London\*, Bedfordshire, Berkshire, Buckinghamshire, East Sussex, Essex, Hampshire, Hertfordshire, Isle of Wight, Kent, Oxfordshire, Surrey, West Sussex.

##### South West

Avon, Cornwall, Devon, Dorset, Gloucestershire, Somerset, Wiltshire.

##### West Midlands

West Midlands\*, Hereford and Worcester, Salop, Staffordshire, Warwickshire.

##### North West

Greater Manchester\*, Merseyside\*, Cheshire, Lancashire.

##### Wales

The whole of Wales: Clwyd, Dyfed, Gwent, Gwynedd, Mid Glamorgan, Powys, South Glamorgan, West Glamorgan.

##### Scotland

The whole of Scotland: Highlands, Grampian, Tayside, Fife, Lothian, Borders, Central, Strathclyde, Dumfries and Galloway and islands (Orkney, Shetland and the Western Isles).

##### Northern Ireland

Antrim, Down, Armagh, Fermanagh, Tyrone, Londonderry, Belfast C.B., Londonderry C.B.

Regional figures provided by the Department of Employment are built up by aggregating the appropriate local employment exchange areas. The boundaries of such areas, however, do not in all cases agree precisely with county or regional boundaries.

<sup>(1)</sup> The lists are classified according to local authority areas in existence at the stated time.

<sup>(2)</sup> Poole was in the South West Economic Planning Region but had been included in the South East statistical region pending the report of the Local Government Commission on this area.

<sup>(3)</sup> Metropolitan counties are marked by \*. Greater London is not a metropolitan county but it is shown as if it were in those tables where metropolitan county data is included.

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